Making Financial Services and Business Skills Development Available to African Children and Youth: a Pilot

Assessment of Phase 1: August 2007 to October 2009

Plan International

West Africa Regional Office

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November 9, 2009

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Executive Summary

The Making Financial Services and Business Skills Development Available to African Children and Youth project, known commonly as Youth Financial Services (YFS), was a pilot program proposed for 3 ½ years, but funded for about 1 ½ . It was the fruit of a grant from the Swedish International Development Agency through Plan Sweden to Plan International's West Africa Regional Office. Implementation occurred through Plan Country Offices in Senegal, Sierra Leone, and Niger. The project formally began in August 2007 and ended in February 2009 after a two-month no-cost extension. A final three-month extension was granted for the period August through October 2009.

With project end, SIDA, Plan Sweden, and Plan WARO all wanted a thorough assessment of the project experience, all the more since it had been designed as a pilot endeavor. The specific objectives of this assessment were:

- Produce an analytical report on the YFS project to date, highlighting achievements and shortfalls relative to objectives and implementation plan and explore the reasons for successes or failures.

- Provide insight into whether Plan and its partners have made progress in identifying effective approaches and methodologies that result in sustainable and replicable program models relevant to youth.

- Make recommendations designed to improve the technical content and management of the project in its next phase.

The consultancy took place in Senegal, Sierra Leone and Niger between October 4 and October 31, 2009. It was carried out by Philip Boyle, PhD on behalf of Plan's West Africa Regional Office (WARO) in Dakar, Senegal.

The consultant spent approximately one work week each in Senegal, Sierra Leone, and Niger, plus a final week of report writing in Senegal (October 24 - 30). The period October 4 -11 was spent in fieldwork in Senegal, October 12 -17 in Niger, and October 19 - 23 in Sierra Leone.

<u>Proposed Objectives and Results</u>

The project had proposed the long-term, but unquantified, objective of providing opportunities and support to out-of-school children and youth aged 15-24 to have access to financial services, business development technical support, and life skills development. The short-term objective to be achieved during the pilot project was to identify effective approaches and methodologies that result in sustainable and replicable program models to provide financial services, business skills, and essential life skills to 3,000 children and youth in Senegal, Sierra Leone, and Niger. Four results were proposed under the short-term objective.

<u>Result 1</u>: By the end of 2009, 3,000 out-of-school 15-24 year old working children and youth from Senegal, Sierra Leone, and Niger are using appropriate and accessible financial services through a local institution.

Result 2: By the end of 2010, 3,000 out-of-school 15-24 year old working children and youth from Senegal, Sierra Leone, and Niger have participated in tailor-made business entrepreneurial and life-skills training programs.

Result 3: By the end of 2010, 3,000 out-of-school 15-24 year old working children and youth from Senegal, Sierra Leone, and Niger have access to support structures for and are using the acquired business, entrepreneurial, and life skills in managing viable small economic activities.

Result 4: By the end of 2010, replicable models for out-of-school working children and youth support are created, monitored, evaluated, and shared.

By the end of February 2009, nearly a year ahead of schedule, the YFS project had more than achieved its program target in financial services with 3,093 children and youth organized into functioning Village Savings and Loan Associations. Total youth reached at present is close to 4,000. The VSL model has proven itself an effective and appropriate approach to extending financial services to youth. The associations formed are sustainable and replicable, and the local implementing partner institutions have been effective and successful in all three program countries. Result 1 has been achieved.

On the other hand, sustainable and replicable program models have not been achieved in business skills or life skills development. Training in business skills has been provided to 1,077 VSL association members, about 36% of the target of 3,000 originally proposed. Life skills other than business skills have not yet been identified or training designed. Result 2 has not yet been achieved.

Neither Result 3 nor Result 4 has been achieved. Result 3 stated that by project end 3,000 youth would have access to support structures for using the acquired business and life skills in managing viable small economic activities. However, the end of project was intended to be October 2010 and funding was not obtained for the full period. At present these support structures for acquired skills outside the VSL associations do not exist.

Result 4 also envisaged that by project end (2010) replicable models for out-of-school working children and youth support would have been created, monitored, evaluated, and shared. With the exception of the VSL financial services model and the Market Opportunities curriculum, these models do not yet exist.

Since only one of four results has been achieved, it is clear that program objectives have not yet been achieved to date. On the other hand, the pilot experience has produced a substantial number of lessons learned. Some of the most important of these are:

- The discipline and collaboration inherent in the regular meetings, savings and lending rules and routines, and provision for emergencies through a social fund are not only popular with youth, but provide an empowering experience otherwise lacking in their environment.

- Empowerment of participating children and youth is not only economic but also social. Their experiential learning is both economically practical and socially reinforcing.

- It is apparent that Youth Savings and Loan Association (YSLA) members do not seek independence from field agents after their first cycle; they do not graduate as intended after the first full cycle of approximately one year.

- Except in Sierra Leone, boys are not nearly as attracted to the VSL model as are girls. Boys are more mobile and less stable than girls and generally have more difficulty sticking with the slow accumulation of savings and profits in their groups. Although girls were intended to be 60% of beneficiaries, they now constitute 76%.

- There is little or no demand from YSLA members yet for a higher level of financial services from formal institutions, such as savings and credit cooperatives or credit-led microfinance institutions (MFIs).

- MIS reports for the three countries and when consolidated indicate a relatively low percentage of members taking loans (26% overall), although the percentage of fund use is generally higher (61% overall).

- It is possible to calculate a cost per member metric for VSL activities, since payments to implementing partners (IPs) from Plan specify certain uses and targets. Cost per member overall was about $39. However, this does not include the cashbox and materials that Plan provided to VSL groups.

- Community Volunteers (CVs) for use in forming and training new YSLAs have been envisaged and chosen in all three pilot countries, but the countries have gone about doing so in different ways. The CV concept is unclear in theory and practice thus far.

- While CVs may be competent to form and train new YSLAs, there is general reluctance among current IPs and Plan country staff to charge them with business skills training.

- The non-financial (NF) services component has not been successful to date, largely because of its late start before YFS project activities ceased by March 2009. The Making Cents market assessment and value chain analysis curriculum appears to have had little impact on participants. This is complicated by the lack of any follow-up or impact monitoring tool for this component.

- There is a group of business skills trainers certified in each country by Making Cents: six in Senegal; eight in Sierra Leone, and four in Niger. In Niger, particularly, there are at least nine more trainers that took part in the NF services training that have not yet had a chance to be certified.

- As intended by Plan, youth have played a substantive role in the YFS project from its conception. Youth were explicitly involved in the 2004 workshop that examined the VSL model. They were prominent in number and role in the final design workshop for YFS in Dakar late in 2006. They were employed as data gatherers in the country situation analyses. They have also contributed to the program during its life through the Youth Advisory Board in each country and the overall YFS Steering Committee.

- Relationships between Plan and its technical and implementing partner organizations appear from all evidence to have been close and cordial. Plan's partnerships can be characterized as of "shared vision" rather than "fee-for-service" contracts.

- The YFS project management structure has not provided enough guidance and continuity in country activities. Country project coordinators have only given about 30% of their time to YFS. This has clearly been insufficient to keep country programs parallel and timely.

- Development of an M&E system for the project and training in its use was never carried out. In financial services, there is now a real mismatch between the quantitatively elaborate financial MIS and the virtual absence of tracking of client needs, characteristics, or impact. Time ran out before Making Cents developed an M&E system for tracking the impact of its business skills training.

- Institutional learning and policy development for future youth-related activities moving forward were not pursued actively under YFS. Whatever lessons were learned at country or regional levels were not well documented.

- Although the Phase 1 pilot project ran for less than half its proposed life, enough has been learned about youth and VSL activities to consider the pilot completed and a VSL scale up possible. The form and composition of the business and life skills training have not been successfully piloted. Non-financial services activities can still be considered in the pilot stage.

Some of the more important recommendations for going forward in Phase 2 are:

- A survey of the financial needs, economic activities, and social characteristics of YSLA members in the three countries should be undertaken soon after program resumption. This would constitute a baseline against which comparisons could be made toward the end of Phase 2. This would allow measurement of impact of VSL activities.

- Following analysis of this baseline study, Plan should determine the specific composition of future business and life skills training and how and by whom this should be delivered. A schedule should be set up with precise country targets. The issue of whether to find a non-financial IP or use a technical partner to train existing IP field agents should be resolved rapidly in each country.

- The Phase 2 project should have an M&E system that tracks YSLA members' essential non-financial information over the life of project: age, sex, marital status, place of residence (independent or with parents), primary and secondary business activity (or job), whether in business alone or in partnership, whether engaged in other training (literacy, numeracy), involvement with other MFIs, and so on.

- Once business skills training is back on track it should be preceded by a survey of member knowledge specifically related to the objectives of the non-financial training component. If there is to be life skills training as well as business skills, those life skills should be defined in each country and their baseline situation among YSLA members determined for later impact comparison.

- A VSL scaling-up strategy needs to be defined and launched in parallel manner in the three countries. If there is a reason to use different strategies in the countries, the reasons for this should be made explicit. Realistic growth targets need to be set that do not place unrealistic burdens on CVs drawn from YSLAs.

- An outreach strategy needs to be defined for scale-up. This would be similar to pilot project outreach, but would proceed in a planned and progressive manner in targeted communities.

- Going forward, the YFS project must have full-time, dedicated management staff at country and regional levels. There should be a full-time project coordinator in each country, as well as an overall project manager in WARO.

- Institutional learning and policy development for future projects focused on youth should be pursued far more actively going forward. There should be greater supply and availability of documentation of project activities and initiatives. The regional project manager should pull these together in WARO.

Abbreviations

AMWCY	African Movement of Working Children and Youth
ACA	Association Conseil pour l'Action
AFJ	Afrique Fondation Jeunes
CCYA	Center for Coordination of Youth Activities
CEFORD	Community Empowerment for Rural Development
CO	Country Office (Plan)
CV	Community volunteer
CFA	Communaute Financiere Africaine (francs)
DIP	Detailed Implementation Plan
EAN	Entreprendre au Niger
GAD	Grant Agreement Document
GGEM	Grassroots Gender Empowerment Movement
GMO	Groupe de Mise en Oeuvre
IP	Implementing partner (organization)
MCI	Making Cents International
M&E	Monitoring and evaluation
MIS	Management information system
MFI	Microfinance institution
MMD	Mata Masu Dubara (a form of VSL)
MO	Market Opportunities (curriculum)
NF	Non-financial
PC	Project coordinator
PSM	Program Support Manager (Plan)
SIDA	Swedish International Development Agency
SNO	Swedish National Organization (Plan)
SfC	Saving for Change (a form of VSL)
TOT	Training of trainers
VSL	Village Savings and Loan
VSLA	Village Savings and Loan Association
WARO	West Africa Regional Office (Plan)
YAB	Youth Advisory Board
YEE	Youth Economic Empowerment project
YFS	Youth Financial Services project
YSLA	Youth Savings and Loan Association
WKN	Waiborey Kokaro Nafa (a form of VSL)

Making Financial Services and Business Skills Development Available to African Children and Youth: a Pilot

Assessment of Phase 1: August 2007 to October 2009

I. Assessment Purpose

The purposes of this assessment are three:

1. Produce an analytical report on the YFS project [1] to date, highlighting achievements and shortfalls relative to objectives and implementation plan and exploring the reasons for successes or failures.

2. Provide insight into whether Plan and its partners have made progress in identifying effective approaches and methodologies that result in sustainable and replicable program models relevant to youth.

3. Make recommendations designed to improve the technical content and management of the project in its next phase.

II. Assessment Methodology

The consultancy took place in Senegal, Sierra Leone and Niger between October 4 and October 31, 2009. It was carried out by Philip Boyle, PhD on behalf of Plan's West Africa Regional Office (WARO) in Dakar, Senegal.

The consultant spent approximately one work week each in Senegal, Sierra Leone, and Niger, plus a final week of report writing in Senegal (October 24 - 30). The period October 4 -11 was spent in fieldwork in Senegal, October 12 -17 in Niger, and October 19 - 23 in Sierra Leone.

At the end of fieldwork in each country, the consultant provided an oral debriefing of findings and recommendations to the Plan Country Office. Representatives of Plan's implementing partners and the Youth Advisory Board were present at the debriefing in Sierra Leone. A debriefing with WARO was held on October 29.

Data collection relied heavily on semi-structured interviews with all Youth Financial Services program stakeholders, including Plan regional and country staff, implementing partners, Youth Advisory Boards, and members of Youth Village Savings and Loan Associations (YSLAs). The consultant also gathered relevant documents during the field visits, including the most recent monthly report common to the three countries of the financial Management Information System (MIS).

[1] The YFS project may also be called a program, because of its multi-country spread and holism.

This written report covers the entire YFS program in all participating countries and is divided into six areas of interest: youth financial services; youth non-financial services; influence of youth on the program; partnership; general project management, monitoring, and evaluation; and learning and policy. Results to date, lessons learned, and recommendations for a follow-on phase are also addressed.

III. Proposed Project and Objectives

A. Development Challenge

Youth represent an enormous source of unrealized human potential in Africa. More than half the population of Africa is under 25 years of age and many of them, particularly girls, have not been able to complete even six years of primary education. About half of children and youth in Sub-Saharan Africa are currently in one way or another engaged in economic activities. Yet there is frequently a lack of structures and opportunities for children and youth to become involved in actions related to their own development, resulting in their marginalization from the development and decision making processes in their countries.

Given this context, it is surprising to see how seldom youth are targeted in development projects in Africa today, and how few projects actually involve youth and children as active participants in project conception, design, implementation, and monitoring. The Making Financial Services and Business Skills Development Available to African Children and Youth project has sought to create unique opportunities for youth to actively and independently improve their own living conditions. Plan has made a special effort to involve youth from the beginning in determining the content and direction of the project. Although commonly known now as the Youth Financial Services project (YFS), in its follow-on phase it will be known as the Youth Economic Empowerment project (YEE). This better captures the two-pronged financial and non-financial approach to assisting youth to achieve economic success.

The primary purpose of the YFS project was to facilitate access for 3,000 out-of-school 15-24 year-old working children and youth in Senegal, Sierra Leone and Niger to appropriate financial services, as well as to business and life skills development services. To achieve this, Plan formed partnerships with specialized organizations in these areas. Beyond this holistic approach to economic empowerment, there was a broader purpose: identify effective methodologies and the right combination of interventions to produce sustainable and replicable program models that can be scaled up in the three pilot countries and to other countries and contexts in West Africa.

B. Pilot Project Document

The Plan WARO proposal “Making Financial Services and Business Skills Development to African Children and Youth: A Pilot” was finalized in December 2006. It constitutes the project document. YFS was designed to run for 3 ½ years at a cost of US $1,126,070. The Swedish International Development Agency (SIDA) funded a portion of the proposed pilot period and disbursed the equivalent of $711,764 on September 25, 2007 with an end date of December 31, 2008. The dollar amount has varied through time, generally increasing as the dollar weakened with respect to the Swedish kronor. In August 2008 it was recognized as equivalent to $814,856.

<u>Long-term Objective</u>

The long-term objective (or goal) of the project was to provide opportunities and support to 15-24 year old out-of-school children and youth to have access to financial services, business development technical support, and life skills development.

<u>Short-term Objective</u>

The short-term project objective (or purpose) was to identify effective approaches and methodologies that result in sustainable and replicable program models to provide access to appropriate financial services, business skills development and essential life-skills training to 3,000 out-of-school 15-24 year old working children and youth in Senegal, Sierra Leone, and Niger.

The proposal document envisaged a pilot project running from April 2007 to September 2010. Four results were given as the means by which to achieve the short-term objective:

<u>Result 1</u>: By the end of 2009, 3,000 out-of-school 15-24 year old working children and youth from Senegal, Sierra Leone, and Niger are using appropriate and accessible financial services through a local institution.

<u>Result 2</u>: By the end of 2010, 3,000 out-of-school 15-24 year old working children and youth from Senegal, Sierra Leone, and Niger have participated in tailor-made business entrepreneurial and life-skills training programs.

<u>Result 3</u>: By the end of 2010, 3,000 out-of-school 15-24 year old working children and youth from Senegal, Sierra Leone, and Niger have access to support structures for and are using the acquired business, entrepreneurial, and life skills in managing viable small economic activities.

<u>Result 4</u>: By the end of 2010, replicable models for out-of-school working children and youth support are created, monitored, evaluated, and shared.

Although conceived as a 3 ½ -year endeavor, the project was funded for only 1 ½ years under a grant from the Swedish International Development Agency (SIDA). Initial funding was received in September 2007, but the project funding period ended in December 2008, not quite a year after project launch workshops were held in January 2008. A two-month no-cost extension was granted until end of February 2009, after which time WARO understood the project under SIDA funding had definitively ended. In each of the three implementing countries, however, the financial services implementing partner continued to maintain the financial component to some degree employing its own resources. Only in late July 2009, was a final three-month no-cost extension granted by SIDA to spend down remaining monies. The YFS project ended on October 31, 2009.

IV. Project Progress to Date

A. Youth Financial Services

1. Financial Services Methodology in Project Countries

a. Senegal

The YFS financial services model employed in Senegal differs only slightly from the Village Savings and Loan methodology (VSL) used in Sierra Leone and Niger. VSL is a savings-led financial services model patterned on the rotating savings and credit associations common to African countries.[2] Plan Senegal partnered with Oxfam America to introduce VSL to Senegalese youth, a version Oxfam promotes under the name of Savings for Change (SfC). Oxfam trained Plan's implementing partner ACA in the methodology.

The Oxfam version of VSL, based on its experience in Mali, does not issue passbooks to group members, relying on a single register to record savings, loans, interest, and fines. SfC also places more emphasis than standard VSL methodologies on reducing inequality among members in savings and lending behavior. To this end, group members set limits to weekly savings contributions and lower and upper limits to loans. Group members begin by requiring everyone to contribute one share each weekly meeting. The price of savings shares usually ranges from 100 to 200 CFA francs ($0.22 to $0.44). Lower and upper limits on loans vary from group to group but generally range between 2,000 to 5,000 CFA francs ($4.49 to $11.24).[3]

As SfC group members gain confidence in their ability to make their required savings contribution each week and repay loans as promised each month, savings contributions can be expanded to two shares or more and the upper loan limit raised. One group observed was generally saving two shares per member, and the upper loan limit had been raised to 10,000 CFA ($22.47). Interest on monthly loans in the groups observed in Senegal varied from 10% to 25%. It can be as low as 5%, in some groups. As groups gain confidence in repaying loans and the desire grows to maximize members' shares in the end-of-cycle fund division (known as share-out), the interest rate can be increased. Share-out is supposed to occur after one year, but some groups divide their fund sooner and some later. Groups have some latitude in setting their own rules, subject to the approval of the field agent (facilitator).

In the absence of passbooks, group members are highly dependent on the group secretary to record transactions properly, although oversight is also provided by the group president. The treasurer counts the money in front of group members and maintains the metal cashbox with its three separate locks, each with its own key held by three group members. However, when loan demand is high, relatively little money remains in the cashbox between meetings. In contradistinction to ordinary VSL practice, there is no social fund in SfC, an emergency fund kept separately in the cashbox and designed to be lent to members in serious need.

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[2] These are known as "tontines" in French-speaking West African countries.
[3] $1 = 445 CFA francs.

At the end of July 2009, the number of SfC group members was 1,521, of whom 1,364 were females (90%) and 157 males (10%). There were 70 groups with an average size of 22. About three-quarters of these groups are composed entirely of girls and the remaining groups are mixed. There are no groups composed entirely of boys, and in the mixed groups boys are a minority.

Groups appear to contain enough literate members to maintain the register, even in the temporary absence of the secretary. In Dakar, most group members, girls and boys, have had a few years of elementary school, although perhaps only one-third are truly literate. The average age of members is about 19. In groups observed, ages ranged from 16 to 24, with an occasional outlier (one girl appeared to be about 12 and another was 27). YSLA members still live with their parents or other relatives, who may provide the weekly savings contribution for the youngest members.

b. Sierra Leone

In Sierra Leone the standard Plan VSL methodology is followed, as described in detail in the "VSLA Program Guide: Field Operations Manual.[4] This manual was used by Plan in training its implementing partner (CEFORD). The YSLAs function much as outlined in the field manual, except that meetings are weekly throughout the full cycle and field agents attend all meetings, even after share-out. Thus far, 16 groups of a total of 55 have done their end-of-cycle share-outs, most in September 2009 after a year of operation. Supervision by field agents is complicated by the fact that most groups meet on Saturday and Sunday evenings. Contributions to the social fund continue every weekly meeting and when members receive a share of it for emergencies, they do not pay it back, with or without interest. Standard VSL practice prescribes that members pay back what they have received from the social fund, but without interest.

In lending behavior, groups are not allowed by field agents to borrow more than the savings they actually have in the fund. It is not considered wise to let members leverage their lending up to three times share holdings as is the standard VSL practice. Lending is monthly (four weeks) at 10% interest, called a service charge in Sierra Leone to avoid problems with the Muslim community.

The average age of the 80 group members of five YSLAs visited was 19. Their educational level was higher than might be expected except in an all-male group of 25 carpenters, of whom only two had any formal education. In the other groups, most youth had several years of formal education with an average of 7.1 years. With the carpenters association included, the average educational level was still 6 years. Even the Congo market vendors, whose average age was 18, had an average formal educational level of 7.3 years. Overall, about 23% (18 of 80) of these YSLA members were married.

c. Niger

The VSL model employed in Niger also follows the standard Plan VSL methodology of the VSLA field manual. Here field agents (facilitators) and Community Volunteers (CVs) followed the manual in creating, training, facilitating, and advising the YSLAs. The field

[4] Allen, Hugh and M. Staehle. 2007. "Village Savings and Loan Associations (VSLA): Program Guide -- Field Operations Manual." August 16, 2007. VSL Associates.

agents and several of the CV's needed little training, since they had previously worked with adult groups using a related VSL model.[5]

Although Plan Niger understood the project to have ceased funding at the end of February 2009, the implementing partner – Association Godia – continued to work until August. It received payment only recently. A majority of the Community Volunteers also continued to implement after February. By August 2009 the YFS project in Niger had largely ceased. While some of the CVs are still assisting their YSLAs, they are not creating new ones.

As in Senegal, the vast majority of youth group members are girls (80%), but the minimum age has been dropped to 14. While there are said to be a few all boy groups, none was available for a visit, and it is not clear whether they still really function. In general, boys (20%) are in mixed groups. As of the end of July 2009, there were 1,558 YSLA members in 87 groups, an average of about 18 members per group.

The methodology employed in Niger has not been changed in Niamey neighborhoods, except to lower the entry-level age to 14. This is said to be due to the necessity for girls and boys at that age to be economically active, due to the poverty of their parents. The average age of the 60 youth visited in four YSLAs in peri-urban Niamey was 18 and their average educational level was 3.6 years of elementary education. However, 25 of these 60 youth (42%) had never been to school at all. Nevertheless, each of the groups sampled had one or two members with two to three years of secondary-level schooling, giving them the necessary literacy and numeracy to verify the validity of the various group accounts (savings, loans, social fund, and share-out proportions).

Field agents and CVs were trained only through the first seven of the nine VSL manual modules, and these were in turn imparted to the YSLAs as they progressed through their cycle. None of the groups has yet conducted a share-out, but agents, CVs, and group members are confident they can do it without formal training (Module 9). Three of the groups visited had been formed slightly more than a year earlier (early October 2008), but they remained vague about when they intended to divide their fund (conduct their share-out). Share-out proportions per member depend on the number of shares they purchased from beginning of cycle.

In Niamey saving also occurs between weekly meetings, when members put money into the cashbox in return for wooden tokens. This is practiced correctly, even in the absence of formal training under Module 8. A separate ledger is kept of these extra-meeting contributions and one or more stars placed next to the person's number indicating his or her contribution. This money is then retrieved at the beginning of the next meeting and can be used (but need not be) to purchase savings shares.

Because Niger YSLA members do not have to save each week (as in Senegal) by purchasing at least one share (100 CFA in groups observed), attendance was only 67% (60 of 89) with absences said to be excused.

The YSLAs observed in Niger all had a social insurance fund that was created by a single contribution of 500 CFA per member in two groups and 1,000 CFA in two others. This money is kept in a separate sack (white) from the savings sack (red) and the daily

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[5] The Mata Masu Dubara model used by CARE.

(between meeting) savings sack (blue), all of which are stowed along with passbooks in the metal cashbox. While this is a single contribution, it is given over several meetings until fully constituted. When an amount is withdrawn by a member for emergency purposes, it is paid back by the borrower as soon as possible without interest. Since group members know each other well (most for all their lives), the validity of an emergency and the time needed to resolve it, are quickly understood by members.

2. Effectiveness of the Outreach Strategy

a. Senegal

In Senegal the implementing partner has been Association Conseil pour l'Action (ACA). The role of Oxfam America in this project was limited to that of technical partner. Oxfam trained ACA in the Saving for Change methodology (without charge), but it had no further role in project implementation. ACA had no problem assimilating the SfC model and implementing it in three areas of Senegal: peri-urbain Dakar, urban and rural Thies, and urban and rural Kaolack.[6]

Six ACA field agents (facilitators) and three supervisors (one each for Dakar, Thies, and Kaolack) were trained in SfC by Oxfam in early 2008. Three field agents worked in Dakar, two in Kaolack, and one in Thies. While field agents are full-time, their supervisors are not. ACA agents generally have a university-level education (3-4 years after high school), which is higher than necessary. At project inception, these agents were charged with reaching out to various youth groups in their target areas. Most of the SfC groups were formed out of preexisting neighborhood groups, many of which had been created by AMWCY (African Movement for Working Children and Youth). Some SFC associations were created by members of civic groups previously created under Plan community development projects.[7]

Outreach by field agents was initiated by contacting organized youth groups in target areas through which they spread knowledge of the SfC methodology to a wider youth audience. These youth groups had been identified in the situational analysis studies carried out in the target areas.

Youth are generally attracted to the SfC model, although many are initially cautious over the required savings contribution at each weekly meeting. The first groups were formed in May 2008 and some have still not engaged in share-out. On the other hand, some groups report having divided the fund at nine months. Much depends on when during the year a group's cycle began and on group-specific consumption needs or business opportunities. Whether or not groups have completed their cycle, field agents have continued to attend all their meetings and have consequently not carried out further outreach as rapidly as might have been expected.

Early in 2009, ACA field agents had surpassed the Senegal beneficiary target by 50%. Activities slowed in the March to August period when Plan's contribution ceased, so that there were 1,461 group members at end of March 2009 and1,524 at end of June (an increase of only 4.3% in three months). This figure is net of dropouts, a rate that reached 12% by end of July 2009.

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[6] Some SfC groups were also formed by ACA in rural villages outside Thies and Kaolack.
[7] For example, the Groupes de Mise en Oeuvre (GMOs) in peri-urban Dakar.

This relatively high dropout rate from groups in the Dakar area has been ascribed to the impact of floods in the rainy season (June – September) of both 2008 and 2009. There are also youth that drop income-generation activities during the school vacation period (June – September), not because they are on vacation from school, but because many of their friends are and they follow suit. Youth group members still live with their parents or other relatives and are not dependent on their own earnings to survive. In the area of Thies, it is common for girls to migrate during the vacation period to work as maids in Dakar. While many groups allow their members to suspend participation during this vacation period, some of these members never resume activities.

Field agents appear to have no difficulty launching groups, but they continue to attend weekly meetings for fear the groups may disband. It will be important to ensure retention of group members and even whole groups over time. Future outreach will depend on the ability of field agents to reach out to more outlying areas, requiring greater investment in transportation costs. The ability of CVs to expand outreach has not yet been validated. For the present, the 50 CVs trained in January 2009 have only created and assisted some 19 SfC groups. None appears to have created more than one a piece.

Sierra Leone and Niger

The outreach strategy pursued in Sierra Leone and Niger is essentially the same as in Senegal, although the young age of members and recent arrival of many rural families in targeted communes of Niamey have meant that discussions with parents are obligatory early on.

Situation analyses were conducted in the targeted urban zones, revealing a wide variety of youth groups. These groups were contacted at the same time as neighborhood chiefs, elders, and neighborhood councilors. Field agents explained the VSL methodology and began to organize YSLAs. Once these groups were formed and the cashbox and materials arrived, their VSL training begins and proceeds through the sequence of weekly meetings as prescribed in the field manual.

In Niger contact and outreach was facilitated by the existence of adult VSL groups existing from an earlier CARE project (MMD methodology). Many of the neighborhood women still practice MMD. Some of the Community Volunteers currently active in the YFS project in Niger are former MMD group members and may have been volunteers under that program.

Generally speaking, parents and community leaders in all three countries see the advantage in enrolling idle neighborhood youth in structured savings activities that the VSL (and SfC) methodology offers. There is such high unemployment that once out of school few children have much chance of becoming independent of their parents economically other than through their own entrepreneurial activities.

As in Senegal, expanding the project beyond current zones will require a much greater participation of CVs and probably more field agents as well. In Niamey the project will be extended into the remaining three communes of Niamey. It is felt that up to half the target population of 17,500 youth in Niamey can be organized into YSLAs. This is ambitious.

The challenge to outreach in Sierra Leone is the hilly terrain, which requires considerable cost and time for CVs and field agents to get around. Complicating this is the tendency for almost all groups to meet on Saturday and Sunday evening. As in Senegal and Niger, the issue in Sierra Leone is what to offer CVs to motivate and compensate them for their time and expense in organizing and supporting new YSLAs.

3. Statistical Portrait by Country and Overall

a. Senegal

The key performance indicators for the Senegal SfC portfolio are presented in Tables 1 and 2 below. These figures reflect the MIS report for the end of July 2009. Reports for end of August and September are still pending. The implementing partner ACA has generally provided accurate information, with the exception of figures for some associations that had done share-out and had begun savings anew. The facilitators continued to report the cumulative amounts rather than the amounts involved in the associations' new cycle. This error was corrected recently.

Generally speaking, the MIS is kept accurate and up-to-date in a relatively timely manner (delay of 1-2 months), but it is not clear to what degree the IP is using it to inform management decisions.

Table 1 presents the information collected on SfC participants that is presented in the first part of the MIS. Since it deals with a number of non-financial measures of participation, these indicators are said to measure group member satisfaction.

Table 1: Group Member Satisfaction in Senegal (July 31, 2009)

Client Satisfaction Indicator	Total Number	Percentage	Average
Total Number of Members	1,521		
Total Number of Males	157	10%	
Total Number of Females	1,364	90%	
Total Number of Associations	70		
Average number per association			21.7
Rate of growth of members		1.0%	
Rate of participation		66%	
Rate of drop-out	134	8.1%	1.9
Number of persons graduating	0		
Number of beneficiaries	1,521		

Table 2 presents indicators of SfC group financial performance. The MIS version used by ACA and Plan Senegal is a more advanced version than that used by the other two participating countries. Consequently, it has a few more entries than those provided in Sierra Leone and Niger.

Table 2: Group Financial Performance in Senegal (July 31, 2009) *

Group Financial Performance	Total	Percentage	Average
Breakout of Assets, Liabilities, and Net Worth			
Assets	8,535,035	100%	121,929
Cash in cashbox and in bank	2,408,035	28%	34,401
Cash in insurance fund	0	0%	0
Value of outstanding credit	6,127000	72%	87,529
Goods	0	0%	0
Liabilities and Net Worth (Equity)	8,535,035	100%	121,929
Debts	0	0%	0
Debts	0	0%	0
Net Worth of Association Members	8,535,035	100%	121,929
Cash in insurance fund	0	0	0
Savings / shares	5,692,150	67%	81,316
Profit / Loss	2,842,885	33%	40,613
Reinvested profits in goods from previous cycles	0	0%	0
Savings / Shares			
Cumulative worth of savings / shares	5,692,150		
Average contribution per member to date			3,742
Profit / Loss	2,842,885	49.9%	40,613
Average investment per member			5,611
Loans			
Cumulative worth of loans	29,813,000		425,900
Cumulative number of loans	3,707		53.0
Number of loans outstanding	540		7.7
Average size of loans			8,042
Value of loans outstanding	6,127,000		87,529
Average loan size outstanding per borrower			11,346
Average outstanding loan value per association			87,529
Principal reimbursed to date	23,686,000		338,371
Current Return			
Average net profit per member to date		49.9%	1,869
Average annualized net profit per member			2,402
Annualized return on savings		64%	
Portfolio Quality			
Value of loans in arrears	370,168		5,288
Portfolio at risk		6%	
Loans written off (associations written off)		n/a	
Ratio of risk coverage		768%	
Operational Efficiency (Association level)			
Percentage of members with outstanding loans		36%	
Rate of fund use		72%	

* In CFA francs ($1 = 445)

b. Sierra Leone

Although the most recent MIS reports for Senegal and Niger are only available for July 2009, Sierra Leone has produced both August and September. In order to keep the three reports comparable, the July report is presented here. On September 30, 2009, Plan Sierra Leone claimed 55 associations with 863 members. This is an interesting drop in number of YSLAs, accompanied by an increase in members.

Table 3: Group Member Satisfaction in Sierra Leone (July 31, 2009)

Client Satisfaction Indicator	Total Number	Percentage	Average
Total Number of Members	840	100%	
Total Number of Males	473	56.3%	
Total Number of Females	367	43.7%	
Total Number of Associations	57		
Average number per association			14.7
Rate of growth of members		-11.8%	
Rate of participation		97.1%	
Rate of drop-out	73	8.0%	1.3
Number of persons graduating	0		
Number of beneficiaries	840		

Table 4 presents the end-of-July report on group financial performance for Sierra Leone. At YFS project inception, each country was allocated a similar budget ($160,921) and a goal of 1,000 VSL association members. Sierra Leone has had trouble in reaching its target. In July 2009 it had only 840 members in 57 VSL groups. Its total assets, however, were $20,993, slightly higher than Senegal with $19,180 and considerably higher than Niger at $11,910. Such comparisons, however, are misleading, because the portfolio in each country can be at very different stages relative to share-out, at which time assets are divided and removed from accounting.

Table 4: Group Financial Performance in Sierra Leone (July 31, 2009) *

Group Financial Performance	Total	Percentage	Average
Breakout of Assets, Liabilities, and Net Worth			
Assets	64,027,300	100%	1,123,286
Cash in cashbox and in bank	33,261,000	51.9%	583,526
Cash in insurance fund	10,783,000	16.8%	189,175
Value of outstanding credit	19,983,300	31.2%	350,584
Goods	0	0%	0
Liabilities and Net Worth (Equity)	64,027,300	100%	1,123,286
Debts	0	0%	0
Debts	0	0%	0
Net Worth of Association Members	64,027,300	100%	1,123,286
Cash in insurance fund	10,783,000	17%	189,175
Savings / shares	50,815,000	79%	891,491
Profit / Loss	2,429,300	3.8%	42,619
Reinvested profits in goods from previous cycles	0	0%	0
Savings / Shares			
Cumulative worth of savings / shares	50,815,000		
Average contribution per member to date			60,494
Profit / Loss	2,429,300	4.8%	42,619
Average investment per member			76,223
Loans			
Cumulative worth of loans			
Cumulative number of loans			
Number of loans outstanding	120		2.1
Average size of loans			
Value of loans outstanding	19,983,300		350,000
Average loan size outstanding per borrower			166,528
Average outstanding loan value per association			350,000
Principal reimbursed to date			
Current Return			
Average net profit per member to date		4.8%	2,892
Average annualized net profit per member			6,543
Annualized return on savings		10.8%	
Portfolio Quality			
Value of loans in arrears			
Portfolio at risk			
Loans written off (associations written off)			
Ratio of risk coverage			
Operational Efficiency (Association level)			
Percentage of members with outstanding loans		14.3%	
Rate of fund use		37.5%	

* In Leones ($1 = 3,050)

c. Niger

Table 5 presents the group member satisfaction measures from the July 2009 MIS report. This is the last report prepared by Plan Niger and presents a final picture of project activity. In this report Plan Niger was carrying a substantial number of persons – 330 in 19 groups – as graduates, although in reality these groups had simply dissolved at various times and after various periods of existence. Plan Niger's objective was to have a record of the total number of youth beneficiaries, but this was not the place to carry it. If this figure is added to the drop-out figure of 144, the real rate of program dropout since the first of these groups were formed in September 2008 would be about 23% (474 of 2032). Moreover, these figures are valid for end July 2009. Since field agents stopped working in August, it is not clear where membership, group dissolution, and dropout now stand.

Compared to a low dropout rate for groups that have continued (8.5%), the dropout of whole groups is considerably more at 18% (19 of 106). It is not clear why this happened during a time when the IP continued to function (March to July), although one of the six original field agents was released after December 2008.

Table 5: Group Member Satisfaction in Niger (July 31, 2009)

Client Satisfaction Indicator	Total Number	Percentage	Average
Total Number of Members	1,558		
Total Number of Males	316	20%	
Total Number of Females	1,242	80%	
Total Number of Associations	87		
Average number per association			17.9
Rate of growth of members		-1.0%	
Rate of participation		78%	
Rate of drop-out	144	8.5%	1.7
Number of persons graduating	0		
Number of beneficiaries	1,558		

Table 6 presents the financial picture for the Plan Niger portfolio. The profit on savings is rather low compared to expectations at 4.2% through the end of July 2009. This was similar to the 4.8% in Sierra Leone, but the rate of fund use at 77.5% seems mismatched to size of profit. In Sierra Leone, rate of fund use (lending of savings) was only 37.5%, which might explain the small size of profit on savings. On the other hand, Senegal had a profit of 49.9% by end of July 2009 and a rate of fund use of 72%. These figures appear inconsistent.

Table 6: Group Financial Performance in Niger (July 31, 2009) *

Group Financial Performance	Total	Percentage	Average
Breakout of Assets, Liabilities, and Net Worth			
Assets	5,299,815	100%	60,917
Cash in cashbox and in bank	1,140,815	21.5%	13,113
Cash in insurance fund	231,300	4.4%	2,659
Value of outstanding credit	3,927,700	74.1%	45,146
Goods	0	0%	0
Liabilities and Net Worth (Equity)	5,299,815	100%	60,917
Debts	0	0%	0
Debts	0	0%	0
Net Worth of Association Members	5,299,815	100%	60,917
Cash in insurance fund	231,300	4.4%	2,659
Savings / shares	4,866,415	91.8%	55,936
Profit / Loss	202,100	3.8%	2,323
Reinvested profits in goods from previous cycles			
Savings / Shares			
Cumulative worth of savings/shares	4,866,415		
Average contribution per member to date			3,124
Profit / Loss	202,100	4.2%	2,323
Average investment per member			3,402
Loans			
Cumulative worth of loans			
Cumulative number of loans			
Number of loans outstanding	348		4.0
Average size of loans			
Value of loans outstanding	3,927,700		45,146
Average loan size outstanding per borrower			11,286
Average outstanding loan value per association			45,146
Principal reimbursed to date			
Current Return			
Average net profit per member to date		4.2%	130
Average annualized net profit per member			254
Annualized return on savings		8.1%	
Portfolio Quality			
Value of loans in arrears			
Portfolio at risk			
Loans written off (associations written off)			
Ratio of risk coverage			
Operational Efficiency (Association level)			
Percentage of members with outstanding loans		22.3%	
Rate of fund use		77.5%	

* In CFA francs ($1 = 445)

d. Composite MIS Portrait of YFS Performance

There is no composite MIS report in the YFS project, so one had to be created for this report. Tables 7 and 8 follow the format used in Sierra Leone and Niger.

Table 7 presents overall (consolidated) group member satisfaction. Combining all three country programs, the YFS had 3,919 youth enrolled in 214 associations by the end of July 2009. Some 76% of these were females and 24% males. The average group size was a little over 18. There were as yet no graduates.

Table 7: Overall Group Member Satisfaction in YFS Program (July 31, 2009)

Client Satisfaction Indicator	Total Number	Percentage	Average
Total Number of Members	3,919	100%	
Total Number of Males	946	24.1%	
Total Number of Females	2,973	75.9%	
Total Number of Associations	214		
Average number per association			18.3
Rate of growth of members		-2.8%	
Rate of participation		77.4%	
Rate of drop-out	351	8.2%	1.6
Number of persons graduating	0		
Number of beneficiaries	3,919		

Table 8 presents the composite financial picture for the 214 YSLAs in US dollars. Total assets were $53,083, of which savings constituted $40,300 (76%), the remainder being social fund and profit on savings. The latter was 18.9% through July 2009. However, the great majority of this was generated in Senegal.

Table 8: Overall Group Financial Performance in YFS Program (July 31, 2009) *

Group Financial Performance (US $)	Total (US $)	Percentage	Average (US $)
Breakout of Assets, Liabilities, and Net Worth			
Assets	52,083	100%	243.38
Cash in cashbox and in bank	18,880	36.2%	88.22
Cash in insurance fund (Without Senegal YSLAs)	4,055	7.8%	18.95 (28.16)
Value of outstanding credit	29,147	55.9%	136.20
Goods	0	0%	0
Liabilities and Net Worth (Equity)	52,083	100%	243.38
Debts	0	0%	0
Net Worth of Association Members	52,083	100%	243.38
Cash in insurance fund (Without Senegal)	4,055	7.8%	18.95 (28.16)
Savings / shares	40,388	77.5%	188.73
Profit / Loss	7,639	14.7%	35.70
Savings / Shares			
Cumulative worth of savings / shares	40,388		188.73
Average contribution per member to date			10.31
Profit / Loss	7,639	18.9%	
Average investment per member			13.29
Loans			
Number of loans outstanding	1,008		
Value of loans outstanding	29,147		
Average loan size outstanding per borrower			28.92
Average outstanding loan value per association			136.20
Current Return			
Average net profit per member to date		18.9%	1.95
Average annualized net profit per member			3.34 **
Annualized return on savings		32.4% **	
Operational Efficiency (Association level)			
Percentage of members with outstanding loans		25.7%	
Rate of fund use		60.7%	

* In US dollars
** Straight-line annualizing without compounding.

4. Program Cost per YSLA Member

Many cost figures for IPs are relatively easy to obtain from the three participating Plan COs (or from the IPs), and these are presented country by country below. Sometimes estimates have been made, when IPs continued operations themselves after February 2009. These costs do not include the cost of the VSL kits (metal cash box and other items) provided by Plan.

Of greater importance are the relatively high sunk costs spread over the first set of non-financial services beneficiaries, for which Making Cents International joined as partner with Plan WARO to develop a youth-oriented curriculum and train and certify trainers. This cost of about $73,000 can be spread over an increasingly greater number of beneficiaries, once NF training resumes.

Table 9 presents the best available figures for the direct costs of forming groups and providing savings and lending services to youth. Some of the cost figures are estimates; others are direct budgetary figures. Time periods are variable, because of the need to correspond to certain beneficiary number achievements.

Table 9: Estimated Cost per Member for Financial Services Provision (US $) *

Country	Date of Cost Estimate	Total Financial Services Cost	Number of Beneficiaries	Cost Per Beneficiary
Senegal	End June / 2009	$67,529	1,524	$44.31
Sierra Leone	End August / 2009	$35,482	906	$39.16
Niger	End July / 2009	$53,356	1,558	$34.25
YFS Overall	Variable	$156,367	3,988	$39.21

* US $1 = 445 CFA francs and 3,050 Leones.

a. Senegal

According to figures provided by ACA, the IP received a total of 21,509,500 CFA between May and December 2008 and a further 4,041,000 CFA for financial services activities between January and March.[8] Since at the end of March 2009, there was a total of 1,461 YSLA members, this yields a cost per member of 17,488 CFA ($39.30). From March through June, ACA continued to fund financial services activities on its own for a total of approximately 4,500,000 CFA. Since the net number of members increased to only 1524 by end June, the cost per YSLA member rose somewhat to 19,718 CFA ($44.31). These figures do not include the metal cashbox and its contents (the SfC kit) that Plan Senegal separately provided to the YSLAs.

On the other hand, the cost of delivering the non-financial services is reported by ACA to be 6,511,500 CFA through December 2008 with another 4,041,000 CFA from January

[8] This figure represents half of the monies received during this period, the other half of which was dedicated to the non-financial component implemented with Making Cents International.

through March. Since the total number of group members receiving the full Market Opportunities curriculum at end March was 847, the cost of this service per beneficiary was 12,459 CFA ($28.00). From the end of March, ACA ceased delivering the Market Opportunities curriculum to groups, thus incurring no further costs. Unfortunately, because of group drop-out, by the end of June only 814 trained group members remained.

Combining the totals for financial and non-financial services delivered by ACA to YSLA members, the total cost per beneficiary by end of March 2009 was 32,177 CFA, or $72.31.

b. Sierra Leone

According to budget figures provided by Plan Sierra Leone, four major payments were made to CEFORD for the formation, training, and supervision of YSLAs: 27,660,000 Leones in May 2008; 27,660,000 in November 2008; 20,700,000 in January 2009; and a further 32,200,000 Leones in June 2009. In September 2009 a further payment of 119,516,016 Leones was made, but that has not yet been completely spent. Since the June payment was intended to add 15 more groups to the 50 already formed, the cost per beneficiary should be based on when that work was accomplished. According to Plan Sierra Leone those results were posted to the August MIS. The total YSLA membership for end August was 906, although the number of groups still fell short (60 only).

The total cost for the 906 beneficiaries as of August 31, 2009 was thus 108,220,000 Leones, or some 119,448 Leones per beneficiary. This is equivalent to $39.16 at the current official exchange rate.[9] This figure does not include the cost of the metal cashboxes and the VSL materials they contain that Plan Sierra Leone provided to groups.[10]

The payment made to CEFORD for the three-day Market Opportunities training given to 45 selected leaders from the YSLAs existing in early October 2009 was 24,126,000 Leones, or 536,133 Leones ($175.78 per trainee). This cost was only for the business skills training, and other costs were incurred for the VSL refresher and leadership training given in sequence during the same six-day period. This figure does not include payments made to Making Cents International for curriculum development, training needs assessment, training of trainers, and certification of trainers.

c. Niger

According to budget figures provided by Plan Niger, the total cost for the financial services component of the YFS program in Niger was 20,243,482 CFA made to the IP in three payments covering the period through August 2009. An additional cost of about 3,500,000 CFA is estimated to have been incurred by the implementing partner through July 2009. This works out to a total of 23,743,482 CFA, or about 15,240 CFA ($34.25) for each of the 1,558 YSLA members at end July 2009 after about one year of group formation activity. As mentioned earlier, there were another 330 members in groups that had disappeared and 144 that had dropped out of still existing groups at end July. Had

[9] US$ 1 = 3,050 Leones.
[10] CEFORD is now charged with providing these VSL kits.

these youth and groups remained, they would have brought down the cost per member to 9,962 CFA ($22.39). The figures do not include the metal cashbox and the other items of the full VSL kit that Plan separately provided to the groups.

The cost calculation for the non-financial services component is complicated by the high level of sunk costs compared to the eventual number of youth group members trained in the Market Opportunities curriculum. Some 9,111,062 CFA were paid to the two IPs in non-financial services (Afrique Fondation Jeunes and Entreprendre au Niger). This does not count payments made to Making Cents International for their training needs assessment, training-of-trainers (TOT), and final certification of trainers exercise. This all occurred between November 2008 and February 2009.

The program was stopped for lack of further funding at end February 2009, at which time 185 YSLA members had been trained in the Market Opportunities curriculum by trainers from Afrique Fondation Jeunes (AFJ), Entreprendre au Niger, and Association Godia (the financial services IP). Total payments made for this service were 9,111,062 CFA. Had all 1,558 members received this training, the cost per member would have been 5,848 CFA ($3.75). However, these costs represent intensive sessions at which only 185 members were trained (60 by AFJ, 80 by Entreprendre au Niger, and 45 by Association Godia). This yields a figure of 49,249 CFA ($110.67) per trainee.

The 14 modules of the complete Market Opportunities curriculum, according to the lesson plans, require from 20.5 to 27.5 hours to be fully carried out with youth participants. According to the two IPs, the full curriculum was delivered to all 185 participants, brought together in their normal meeting places, but not linked to their VSL meeting time. About 11 groups were trained by the three IPs (including Association Godia) in the period January and February 2009. The plan was to continue on to train all YSLA groups and members, but the activities were halted at the end of February. It is unclear what further costs would have been incurred to train the remaining YSLA members.

If one combines the costs incurred in delivering the financial and non-financial services (regardless of the number of beneficiaries receiving the NF component), the total cost per beneficiary (1,558) at the end of July 2009 is 18,841 CFA, or $42.34. Since whole groups were trained, rather than leaders from all groups, there is little chance that those not trained will acquire any of the business skills imparted to the 12% of YSLA members actually trained.

5. Community Volunteers

Table 10 summarizes the current situation of Community Volunteers in YFS participating countries. Each country went about selecting its volunteers in its own way, with Sierra Leone only beginning to move forward on this in early October. In Senegal and Niger, CVs have already formed some VSL groups.

Table 10: Status of Community Volunteers in YFS Countries

Country	CVs Trained	CVs Active	Must be Member of a YSLA?	Number of VSL Groups Formed	Percentage of VSL Groups Formed
Senegal	54	50	Yes	19	27%
Sierra Leone	45	12 *	Yes	0	0%
Niger	11	7	No	24	28%
Total	110	69	--	43	20%

* CEFORD will select 12 of this group of 45 as a first cohort of CVs.

a. Senegal

Senegal has created 50 CVs to date, also known there as group “replicators.” These volunteers have been chosen by facilitators from among the more active and enthusiastic members of the groups they oversee. Among these 50, there are 43 girls and 7 boys. All the boys are in Dakar.

Community volunteers were trained by facilitators in January 2009 over three days in the use and practices of the SfC manual. This manual has two versions, one entirely in images and the other in text. The image manual was used to train the VCs. Facilitators supervised them to a variable degree, depending on their skill in supervising the newly formed groups. Since they are not paid by groups, their motivation is largely peer recognition, but this is probably not sufficient for them to extend their organizational activities to many more groups.

To be a CV in Senegal, a volunteer needs to be available and have the time to assist the newly formed groups, but literacy is not a requirement. The expectation is that each CV will form one or two new groups. This would bring their eventual contribution to YSLA formation to about 50. The number of YSLAs formed by CVs to date is estimated by ACA at 19: 7 in Dakar, 3 in Thies, and 9 in Kaolack. This would make CV-created groups about 27% of the total.

Based on the group of seven CVs interviewed in Dakar, each CV has formed only one new YSLA. They have also formed and trained groups of adults, but these adult groups represent an externality and are not supervised by the facilitators. Adult groups do, however, attest to the general attractiveness and demand for community-led financial services on the part of peri-urban dwellers.

The average age of the seven CVs seen in Dakar was slightly above 20, and they had an average of 5.6 years of education. They fit the general profile of their YSLA groups. They still live with their parents or other close relatives as do the remainder of YSLA members. None is yet married.

b. Sierra Leone

Community Volunteers have not yet begun to function in Sierra Leone, although 12 (4 each from the 3 Freetown project zones) will be expected to create three new groups a piece over the next four months. These 12 will be selected from 45 group leaders (drawn from all YSLAs) that were recently given a six-day sequence of VSL refresher (2 days), leadership (1 day), and NF services (3 days) training in early October 2009. These 12 will form the first cohort of CVs, expected to seek out and form other groups in their neighborhoods.

c. Niger

Community Volunteers (CVs) have played an important role in the YFS in Niger, although they have not been nearly as numerous as in Senegal. Some 16 CVs were identified, 11 were trained in the VSL methodology, and 7 remain functional in the field today. Only one is male. Four were available for interview during this assessment. Although a total number of YSLAs formed and trained by CVs was not available, the four interviewed had created and trained a total of 24 YSLAs, of which 14 (58%) were still in existence. If we assume the remaining CVs to have been equally productive, then the total number of groups formed by CVs would be about 42 of which 24 should still be functioning. This means that about 28% of existing YSLAs were formed by CVs.

It should be noted that CVs may have formed particularly weak YSLAs, those most likely to disappear. The four CVs interviewed reported the dissolution of 10 of the 24 groups they had formed. Extrapolating that number to the total of seven CVs, we find that perhaps 18 of the 42 YSLAs formed by these volunteers may have disappeared. This is very close to the 19 groups Plan Niger admits to having lost. If CVs are having difficulty founding viable groups in Niger, this should be followed up and corroborated.

CVs are not necessarily members of YSLAs; perhaps half of them were recruited among unemployed young adults in their communities willing to assist youth groups wishing to participate in the YFS program. They were trained by facilitators from Association Godia in the seven modules through which YSLAs activities progressed until the IP ceased activities in August 2009. In spite of being essentially a group of consultants, Association Godia supervised CV activities and collected the statistics necessary to maintain the MIS up to date each month.

CVs count on a monetary contribution, known as “cola,” amounting to 15 to 25 CFA per member for each meeting at which the CV supervises and assists members. It is not seen as a payment but as a gift of appreciation for a service received.[11] It is a customary practice in Niger. With an average membership of about 18, the CV should expect a payment of about 450 CFA ($1.01) per week per group. Since each CV has created and supported three to four functioning groups, weekly income should be about 1,350 to 1,800 CFA ($3.03 to $4.04). However, attendance is always well less than the number of members (67% in the groups sampled, 78% according to the MIS) reducing the number of contributions accordingly. Moreover, some members simply refuse to offer their part of the cola. The amount received thus varies and can be as low as the contribution of only a few group members.

Since members no longer need CVs as much after the first 14 weeks, during which the CVs supervise the groups in every meeting (Intensive Phase), over the next 18 weeks

[11] Cola is a type of large nut that is offered to honored guests and as tokens of appreciation.

(Development Phase) CVs can supervise every other weekly meeting. This should free them to seek out and found new YSLAs. During the final 18 weeks of the training cycle (Maturity Phase), CVs need make only three visits, a process terminating supposedly in group graduation. In practice, however, field agents and CVs tend to supervise every meeting of their groups, even after end-of-cycle share-out. This was reported by field agents in all three participating countries. The drawback in Niger is that group members see less reason to pay the cola, as the information they receive is already known. However, field agents and CVs are generally reluctant to leave their groups alone for more than one week for fear of disbandment. Perhaps this state of affairs will diminish with time.

As mentioned earlier, there may be some evidence that CVs in Niger have formed YSLAs of lesser quality than those created and trained by the five facilitators of Association Godia. On the other hand, all four YSLAs visited in this assessment had been created and supported by a local CV. No quality problems were reported by anyone with respect to the work of the CVs.

The primary reasons for being a CV in Niger are unemployment, possibility of cola payment, and desire to serve the community. Some of the CVs have been CVs under other projects, or members of the VSL project implemented in Niamey neighborhoods previously by CARE. Their quality seems high.

The cola problem can be resolved by simply making it a firm part of the methodology. Absenteeism and lessened need for supervision after the Intensive Phase will lessen CV revenue, but CVs will also have more time to seek out and create new groups. Plan Niger estimates the target population of youth in the five communes of Niamey at 17,500, half of which could be formed into YSLAs. This would yield some 8,750 members in nearly 500 YSLAs in all of Niamey. If we assume that 7 CVs and 5 facilitators have effectively supported 1,558 members over the last year, then the same number should be able to produce another 1,500 or so each year over the next five years, a total of 7,500 new YSLAs. This assumes that YSLAs become independent and sustainable after one year, a reality that has not yet been borne out in any of the participating countries.

If the role of facilitators becomes supervisorial, then the number of CVs would rise to at least 12, with each facilitator supervising two to three CVs. To lower costs, the number of facilitator supervisors could be reduced to four (or even three) with a larger number of CVs to supervise and back up. Again, for this to work CVs will need to graduate their groups after one year as the field manual stipulates. For the present, it is unclear if this is possible for most YSLAs.

6. Member Satisfaction with the VSL and SfC Models

A total of 11 YSLAs were visited and their members interviewed: three in Senegal, four in Niger, and five in Sierra Leone. The likes and dislikes of group members were solicited and positive comments far outnumbered negative comments or impressions.

<u>Positive Comments</u>

YSLA members expressed a great deal of satisfaction with both the social and economic benefits of being in their groups. On the social side, their satisfaction included getting to know their neighbors better, feeling a sense of group unity and solidarity, feeling empowered to be leaders in their associations, having a greater sense of identity and purpose, and having a sense of expanded horizons. For those YSLA members that remain in groups for years, there will be long-lasting bonds. There will certainly be a greater sense of self-worth and confidence compared to what they might have felt without this experience. Many community leaders recognize these benefits and actively help IP field agents organize YSLAs. This social empowerment is not often mentioned, but it is likely to be long lasting.

Another point of satisfaction with VSL is the social fund, although in Sierra Leone money is given to group members in difficult straits, not lent. In Niger social fund monies are lent to members in particular need, with a set of specific emergencies recognized and agreed by the group. Interest is not paid on a social fund loan. In Sierra Leone members continue to contribute every meeting with no monetary goal in view, while in Niger a specific one-off contribution is made by each member (although sometimes contributed over several meetings). In the Saving for Change methodology employed in Senegal, there is no social fund.

YSLA members express satisfaction with the flexibility and control they have over their associations. The flexibility of not having to save at a weekly meeting in Niger and Sierra Leone is offset by heightened absenteeism at meetings, if the member has nothing to save or gives it to another member. Unexcused absences are supposed to be fined, but the number of allowable reasons seems to be large. In Niger up to a third of members in observed groups were generally absent. On the other hand, in SfC methodology in Senegal, members are obliged to save every week, reducing absenteeism.

Economic benefits are obviously paramount in participant satisfaction. The ability to save was the benefit most commonly cited in all three countries. Prior to involvement in the YFS program, these youth had no financial discipline and could not hold on to money. In their YSLAs they have learned the discipline behind saving and the potential for making it work for them, even if they take no loans. The ability to forgo consumption and plan ahead financially is not something youth do well in any context.

The ability to take a loan is another point of satisfaction, but at first there is reluctance to become indebted. There is a healthy fear of not being able to repay. This is due to the peer pressure involved. However, there are stories of members taking big loans and then disappearing. This is one reason that CEFORD counsels its groups not to loan more to group members than the savings they have accumulated. In Niger and Senegal, groups set lending limits, although the general rule in VSL methodology is that a member may borrow up to three times his or her savings.

Interest is usually called a fee or service charge in the three program countries, where use of the term interest might provoke resistance in the community. This is true even in Sierra Leone with its religiously mixed YSLAs. Members feel particularly happy to keep interest earned in their own funds. They know of other microfinance institutions that give credit, but then take away the interest. Members feel particularly pleased at owning their own lending operation and accumulating all profits for themselves. The only fee they pay outside the group is to CVs in Niger (the cola gift).

YSLA members look forward to the division of the association fund, or share-out, done once a year or so according to VSL methodology. The periodicity of the cycle is quite variable and is left up to the members to decide. In Senegal many groups seem to be well past one year of activity, while in Sierra Leone several groups have shared out several months short of a full yearly cycle. As members gain more confidence in the ability to accumulate money in the fund with longer time periods and increased lending, cycle lengths are likely to increase. On the other hand, it is considered risky to accumulate too much money in the cashbox. There has apparently been no case in any of the three countries of theft of money or of the entire cashbox.

Loans and share-out money are generally used for the same investment purpose according to YSLA members: buying goods for adding value or simply reselling. Of course, it can also be used for social purposes, such as the increased food consumption that is expected during Ramadan and Tabaski (Feast of the Sacrifice).

When asked about improved economic circumstances, members tend to agree that their savings and borrowing have led to an improved standard of living, but it would be preferable to know just how much change has occurred. There is for the moment no evidence on degree of economic impact in the YFS program. Some survey work would be useful in revealing what youth actually do with their share-out shares and loans, particularly how much is actually reinvested as opposed to directly consumed.

Negative Comments

On the negative side was the time constraint felt by members who had to take time out each week from commercial activities to conduct their meetings. This was especially obvious in Sierra Leone where most meetings occur on Saturday or Sunday evening (late afternoon). Meeting times set for weekdays or earlier in the day would mean forgoing essential income.

In Sierra Leone also, there is pressure from communities and from youth to include older youth (above 25) in the program, particularly since government policy considers youth to be 15 to 35. Nevertheless, none of the groups visited had any member above 25.

YSLA members, particularly in Niger, also expressed the desire to have more community recognition, some kind of visible identity as members of a movement. They felt this would help them organize other groups and that the effect could snowball. This could be a T-shirt or cap with some YSLA identifying mark or logo. They did not specify what logo they might choose.

There is little or no expressed demand from youth for linkages between YSLAs and other MFIs, particularly credit-led organizations. Partly this is because youth are not as experienced with such money sources as adults, but there is also a fear of becoming indebted to an outside institution. Beyond this, there is sometimes resentment that profits from their credit activities are being taken away and used by outsiders. This resistance to other MFIs may be accentuated by the VSL experience in which youth fully control their savings and its proceeds.

B. Non-Financial Services

1. Market Opportunities Curriculum and Training

Making Cents International adapted its previous training materials in market assessment and value chain analysis to the needs of target-age youth (15 to 24 years). By mid-2008, design of the curriculum and the facilitator's guide, sometimes called a kit because of its image cards, was complete. The curriculum, entitled "Market Opportunities: Market Assessment and Value Chain Analysis Skills for Youth," was developed specifically for the YFS program and consists of 14 modules requiring from 20 to 30 hours of delivery. It is based on experiential learning techniques.

The product is impressive and has been used now in all three program countries. Trainers report no problems with imparting the concepts and messages to youth, although they have had to convert some of the concepts and stories into more easily understood local examples. However, these modules were designed by Making Cents to be piggy-backed onto VSL meetings. This occurred only in Senegal, while in Niger and Sierra Leone concentrated sessions were held as the project neared end in February 2009 (Niger) or with a brief resumption of funding in early October 2009 (Sierra Leone).

Training needs assessments were conducted in all three program countries toward the end of 2008 and a TOT was held by December 2008 in each. Trainers then proceeded to train youth from YSLAs in Senegal and Niger, but were unable to train everyone before funding ended.

In Senegal, the six ACA field agents were certified by Making Cents as NF services trainers. In Niger, 15 NF trainers were used, of whom four were certified by Making Cents (all from Afrique Fondation Jeunes). The process of certification in Niger was not completed when the program ended in February 2009. The six trainers from Entreprendre au Niger and the three trainers from Association Godia used in the delivery of the Market Opportunities curriculum have not yet been given a chance at certification.

More certification of trainers in Niger could certainly occur under the next program phase. The quality of certified trainers appears high in all places, but there was no opportunity during this assessment to observe them in action.

In Sierra Leone, eight trainers from various organizations, plus three from Plan Sierra Leone, were certified by Making Cents in February 2009 following a TOT exercise. The eight non-Plan trainers consist of two from the Center for the Coordination of Youth Activities (CCYA), two from the Grassroots Gender Empowerment Movement (GGEM), and four from CEFORD. All of these trainers but one are still in Freetown.

2. Quality and Effectiveness of Training in Market Opportunities

It is not clear how or how well the 14 modules were delivered to the 847 youth in Senegal, 185 in Niger, or the 45 in Sierra Leone. The curriculum was certainly interpreted and adapted to some degree by trainers to fit local circumstances. Trainers in Sierra Leone described how they managed to fit the 20 to 30 hours of the curriculum into three days of training by linking elements of the various modules together in innovative ways.

The basic materials of the Market Opportunities facilitator's guide were used by trainers, including the market assessment tool, the value chain opportunity finder, and the 20 entrepreneur cards, although the latter were not yet laminated. Trainers generally found the curriculum and materials satisfactory. In all three countries, most IPs and trainers did feel that images, examples, and stories could be adapted further to local contexts. ACA did this by placing a series of local, hand drawn images at the front of its Market Opportunities facilitator's guide. On the other hand, some trainers felt that the somewhat novel (for trainees), even exotic, images from the curriculum were fine, once explained, and that trainees should be shown examples from other lands.

In sum, while 1,077 youth have now been trained in the full Market Opportunities curriculum, 847 of whom received the training slowly in group meetings, there is little sense yet of impact. When questioned in their groups, the usual responses from NF services trainees were: (1) they had a broader perspective of their economic activity and where it fit with others, (2) they had moved from home production to engaging in petty commerce, and (3) they had decided to expand to new products or activities beyond those habitually engaged in. When combined with loans available in their YSLAs, some trainees said they had launched new or increased business activities, generally buying and selling of goods, rather than production and sale. It would be desirable to do some survey and case study work to verify this.

3. Results of the Market Opportunities Curriculum by Country

Training in the Market Opportunities curriculum developed by Making Cents was interrupted at a relatively early stage by the end of project activities in February 2009. Although VSL activities were generally maintained during the long period of stop-start funding, business skills training was only resumed in Sierra Leone in early October. At that time a selected group of 45 YSLA leaders (of a total of about 863) received the entire training in a concentrated period of three days. In order to cover the 14 modules (20 – 30 hours) in three days, trainers reorganized the material at times. This was the only training conducted by Plan Sierra Leone in business skills. The same leaders were also given leadership training at this time. The expectation is that these youth will not only serve to spread the NF messages in their groups, but also potentially serve as CVs to create and train new YSLAs.

In Senegal some 847 youth, or about 56% of YSLA youth at the end of July 2009, received the Market Opportunities curriculum delivered by the six trained ACA facilitators that also formed and supervise the YSLAs. This would have been about 44 groups of the 87 that existed at end of July. Although prematurely ended, ACA agent trainers claim it was delivered as intended by Making Cents, with modules presented at the end of each group meeting and only with groups that had completed a full VSL cycle. Training began in December 2008 and ended in February. Generally speaking the training would have required about 14 weekly meetings, or 3 ½ months. It would be a good idea to verify exactly how many sessions it took with which groups to impart the full curriculum.

In Niger, 185 youth from about 11 groups were trained over one week by three organizations: Entreprendre au Niger (80 youth); Afrique Fondation Jeunes (60 youth); and Association Godia (45 youth). The latter was also the implementing partner for VSL services. Generally, the groups were trained individually in or near their usual meeting places. Sometimes two groups were combined in a single neighborhood. The entire curriculum was said to have been covered.

In sum, the Market Opportunities curriculum was given to a relatively small proportion of YSLA members, except in Senegal where it covers more than half of members. Beyond numbers of persons trained and some anecdotes, there is little or no indication or awareness of impact.

4. Monitoring of the Market Opportunities Component

In none of the three countries is there a formal monitoring system for the business skills component, except tracking of the number of groups and members that have received the full training. Beyond numbers trained, there is no further monitoring of results by the implementing partners. In Senegal, ACA tracked the number of these recipients that remained active in the YSLAs. By the end of June 2009, there were 814 of these trainees still in the YSLAs, a loss of 8.5%. ACA has provided no retention figure for these trainees beyond June.

The MIS does not track the non-financial component, nor does it disaggregate trainees from non-trainees that would permit drop-out analysis or inform decision making on when to do refresher training with new members.

Monitoring and evaluation of the implementation and impact of the Market Opportunities curriculum was to be carried out by Making Cents, but time and funding ended before this could be prepared. While VSL activity continued to be maintained to some degree by implementing partners after February 2009, the non-financial services component ended by March.

In sum, the three participating COs have not focused on tracking the non-financial services component. They were hard pressed to get at least some training completed before project end in February 2009. Moreover, it was understood that Making Cents would follow up with a monitoring system. However, this program component got under way in the field only late in 2008 and ended prematurely. It has not gone far enough to draw conclusions about its impact. In future, tracking the non-financial component of YFS should include not only how many youth have received what training, but also how many have remained in their groups over time. This means that field officers should include these numbers in their monthly reports and that a simple MIS be set up to track this.

5. Community Volunteer Participation in the Market Opportunities Training

Community Volunteers have not participated in the business skills training as trainers. Some may have received the training from facilitators. It is the general opinion within Plan and the non-financial IPs in the three countries that CVs should not deliver the business skills training. Since CVs are normally drawn from YSLAs, their educational level is relatively low compared to the sophistication of the Market Opportunities curriculum developed by Making Cents. Although most groups in all three countries have a few members educated into the secondary level, this is still likely to be insufficient to deliver this training.

In Senegal one or two motivated members have been selected in most groups, and 53 of these potential CVs (50 remain) were given refresher training in VSL and instruction in how to organize other groups. However, it is doubtful that many of these CVs could give business skills training of sufficient quality. In Niger, there are only 7 CVs, half of whom are not in groups themselves but are older volunteers selected for their motivation and experience in other VSL projects. Their educational level is, however, generally low. In Sierra Leone, there are no CVs yet, although 45 leaders have been given the business skills training. Their educational level is also relatively low.

Making Cents certified trainers (highly educated) have described how they have to take the concepts, images, case histories, and other aspects of the Market Opportunities curriculum and adapt them to local contexts for trainees to understand. This is a far higher order of complexity than teaching CVs to form and train new groups in the VSL model.

In sum, while a few CVs may be of sufficient experience and educational level to train their peers in business skills, it would be better to recruit field agents specifically for this purpose. Another option would be to train the VSL field agents in the various business skills, beginning with Market Opportunities. This is already the practice in Senegal and Sierra Leone, where all four field agents are certified in the NF training. In Niger, it also makes sense to combine VSL and NF training in the same agents, once an appropriate IP for both is selected.

6. Application by Youth of the Market Opportunities Training

Youth that had participated in the Market Opportunities training were queried during this assessment about what they had retained from the NF training and what they had put into practice. Answers tended to be vague. It must be borne in mind that this training was given either in sessions following normal meetings or in a concentrated manner to groups over a few days in January or February 2009. If there is any appreciable impact, it would be clearest among YSLA members in Senegal, where their involvement with these modules should have spread over 3 ½ months.

No one among the youth queried claimed not to have understood the lessons. Those that did seem impressed by the experience felt it had opened their eyes to a wider range of economic linkages. Rather than continuing in their niche out of habit, they realized that what they did commercially fit into a wider set of economic activities. They also realized they could seek to understand that wider picture. Some respondents said that after the NF training they had engaged in petty commerce for the first time or with new products. Some producers said they now sought to sell their goods in the marketplace, rather than from the house. The concept of sequentially adding-value (value chain) was appreciated by some.

No clear success stories were apparent in conversations, but fairly substantial changes in youth's economic success could only be expected over more time. Trainees appeared to grasp the concepts and examples and certainly appreciate any attention given to them. In terms of other skills sought, given their low level of education many asked for functional literacy and numeracy training.

C. Influence of Youth on the Project

1. Youth Involvement

Youth have been significantly and importantly involved in the design and evolution of the YFS program. Members of a variety of existing youth groups were consulted from before the project design stage. In December 2004 the WARO microfinance network held a four-day Workshop on the MMD/WKN Microfinance Model in Niamey that examined the experience to date with VSL in West Africa. Anticipating the future extension of this methodology to children and youth, youth representatives were invited from the African Movement of Working Children and Youth (AMWCY) from four West African countries (Senegal, Niger, Burkina Faso, and Cote d'Ivoire). These representatives, some still involved in the YFS project, reportedly found the VSL model very interesting and relevant to their needs. Following discussions in this meeting, a short concept paper proposing action research in microfinance for youth circulated in WARO countries in January 2005. Subsequently, 10 youth from Sierra Leone, Senegal, Burkina Faso, and Niger attended and often facilitated the three-day Youth, Partner, and Expert Consultation Workshop in December 2006 in Dakar, at which time the evolving YFS design was shared and discussed. A number of Plan staff, Plan partner staff, and technical experts, including representatives from Making Cents International, also participated. Ten of the 27 participants were youth, and the intention of the workshop was that it be "youth-led."

Following this youth-oriented workshop, the final form of the YFS proposal emerged by January 2007, was accepted for funding by SIDA, and formally began the following August. Once the program was under way in the three participating countries, situation analyses in project areas explicitly involved youth from local organizations, such as the African Movement of Working Children and Youth (AMWCY), in data collection and questionnaire surveys. On the other hand, youth financial needs analyses, which could have been carried out by those youth involved in situation analyses, were not undertaken as planned.

Design of the NF services curriculum involved discussions and input from youth in the same WARO 2006 consultation workshop. Presentations were made by MicroSave and Making Cents on participatory market research and business and life skills development.

2. Youth Influence over the Content and Course of YFS

The content and direction of the project was extensively scrutinized by the Youth Advisory Board in each country and by their representative in the overall Project Steering Committee. They have been vocal and active during the length of project. All evidence points to their having had significant impact on influencing the content and direction of the project. They also played a role in helping youth in YSLAs overcome a fear of indebtedness. YAB members in all three countries appear to feel appreciated and consulted by IPs and Plan project management.

3. Youth Advisory Boards

There is a functioning and enthusiastic YAB in each country, although it can be more or less active, depending on its leadership. In Sierra Leone, YAB leadership had to be reconstituted in early August 2009 to increase its activity. The Board is now engaged in a monitoring activity of YSLAs.

An issue raised by YABs is the need for resources to carry out monitoring activities or publish reports. Plan COs support YABs to a variable extent, but without a minimum of resources their activities and program input will be perfunctory.

In Senegal, the YAB currently consists of five women and two men: three members from Dakar, two from Thies, and two from Kaolack. The Board has existed since early February 2008 and was elected by a General Assembly following the naming of a Provisional Board at the project launch workshop in January 2008. Meetings are normally held every other month. As in the other participating countries, the Board president participates in the Steering Committee meetings, three of which have been held thus far, one in each country.

The Senegal YAB sees its major function as collecting and relaying complaints to the Steering Committee for action and counseling YSLA members with problems. They do work with the field agents in their areas and follow-up on work carried out by the 50 CVs. They are themselves members of YSLAs, and all have received the Market Opportunities training.

In Sierra Leone the YAB also has seven members, four men and three women, again all members of YSLAs as well as other youth organizations. Previously there were only five members, but the Board was expanded to seven in early August. There are three executive members. They see their primary function as monitoring of YSLAs. The Board stressed the fact that it is completely independent from Plan or CEFORD and reports directly to the Steering Committee. All are involved in their own businesses as well. They, too, stress the need to have some means of transport, especially useful in the steep hills of Freetown, a computer, and cameras for recording events in YSLAs. .

In Niger, the YAB consists of four members, three women and one man. As in Senegal and Sierra Leone all were active in youth groups, such as AMWCY, ENDA Tiers Monde, and Caritas, before composing the Board. They were involved in the 2004 and 2006 workshops, as well as in the situation analyses. The YAB in Niger generally meets monthly, but Board members prefer to have a specific theme to discuss. As in Senegal, they are effective in resolving disputes in groups and relaying complaints up to project implementers. They are sought out for help by youth. A particularly important activity for the YAB in Niger has been the counseling of parents due to the young age of many of the YSLA members (down to 14).

4. YFS Steering Committee

The presidents of the three YABs participated in the three Steering Committee meetings. Other members of the Steering Committee are the three CO Program Support Managers (PSMs), the WARO microfinance advisor, and the regional YFS program manager. This gives the YAB presidents a significant forum in which to influence the direction of the program.

In sum, youth have been significantly involved from the beginning of YFS, and Plan WARO and COs have taken pains to keep them included and vocally involved in country-level as well as Steering Committee meetings. Although they have few resources, the youth encountered in these Boards are generally dynamic, and their empowerment is considered by Plan to be an objective in its own right under this program.

D. Partnership

1. Partner Selection

In each of the three countries, Plan proceeded early on to examine the strengths and weaknesses of local organizations that might implement the VSL and non-financial components of the program. The objective was to find a distinct and specialized implementing partner for each component. The Plan Country Offices, however, were unable to find local organizations experienced in the VSL methodology or in market assessment and value chain analysis.

In regard to selecting and training groups in VSL, each Country Office decided to select the most appropriate partner possible and train it in the VSL methodology. In this way, Plan Senegal selected Association Conseil pour l'Action (ACA) and Plan Sierra Leone chose Community Empowerment for Rural Development (CEFORD). Plan Niger had selected Caritas, but its potential implementing partner backed out before training and implementation began. Plan Niger subsequently chose a consultant with long experience in a version of the VSL methodology, who brought together six associates to form Association Godia. This group, while not an implementing organization of the type preferred by Plan, nevertheless was highly experienced and effective in forming and training VSL associations.

Plan Senegal chose Oxfam America as the best technical partner to train ACA in the VSL methodology based on its experience in Mali. Oxfam's version of VLS, as noted earlier, differs slightly from the model used by Plan in Niger and Sierra Leone. In Sierra Leone, Plan's country microfinance advisor trained CEFORD field staff in the VSL model, with assistance from the WARO MF advisor. The project coordinator, however, has been the Plan Sierra Leone Youth Empowerment Coordinator. In Niger, little further training needed to be done with Association Godia, already experienced in a version of VSL. The Plan Niger Microfinance Advisor, who was also the project coordinator, carried out what training needed to be done.

In the case of NF services, Plan judged that no country-level organizations were currently capable of conducting market assessment and value chain analysis of adequate quality. Consequently, Plan WARO partnered with an international firm, Making Cents International, to carry out needs assessments in each YFS country, train and certify trainers within the VSL and NF services implementing partners, and proceed to supervise these trainers in imparting the Market Opportunities curriculum that Making Cents had developed.

Only in Niger were there separate implementing partners for the YFS non-financial component: Entreprendre au Niger (EAN) and Afrique Fondation Jeunes (AFJ). Both local organizations were experienced in vocational and business skills development. Although their contracts were for specific training objectives among the YSLAs, their relationship with Plan can be termed one of shared vision, rather than fee for service. As noted earlier, In Senegal and Sierra Leone, the VSL implementing partners also provided the Market Opportunities training to YSLA members. In Niger, field staff of

Association Godia also participated in training YSLA groups alongside the two NF partners.

To recapitulate, Plan has managed to find worthy partners in each of the three countries, in two of which the VSL implementer also implemented the NF component. In Senegal and Sierra Leone the VSL partner had to first be trained in the methodology. They subsequently were trained in the Market Opportunities curriculum by the international partner. In Niger, the implementing partner consisted of an association of consultants that already had years of practical experience in VSL. Some of these field agents were trained in Market Opportunities alongside trainers from the NF implementing partners.

2. Partnership vs. Fee-for-Service

Plan places great importance on partnership with other organizations, particularly local organizations, and seeks to build good working relationships that achieve mutually-shared objectives. In addition to implementing its projects through local (national) organizations, Plan also seeks to build their capacity. Although the emphasis has been on implementation in the YFS program and partnership protocols list specific objectives to be attained over particular time periods, relations between Plan and its various partners have been close and cordial. These partnerships, even when limited to specific and time-bound activities as in the NF services training in Niger, are with organizations with which Plan has similar vision and country objectives. There is no apparent evidence of miscommunication, value conflict, personality clashes, dissimilar management styles, or other problems that can sometimes plague partnerships.

3. Recommendations for Partnership in Follow-on Phase

If we assume that business skills training should not be carried out by CVs, then either a separate implementing partner is found in each country or the VSL implementing partner will need to hire more field agents. Agents could also be hired that only do business skills training. An alternative is for the VSL or another implementing partner to deliver business skills training in a selective or concentrated manner, as has already been done in Sierra Leone and Niger. Finally, the best alternative may be to devise a cost-effective personnel and organizational structure in which field agents versed in both VSL and business skills methodologies supervise a relatively large number of CVs and their groups, but the field agents deliver the NF services training.

E. General Project Management, Monitoring & Evaluation

1. Effectiveness of Management Structure

The Youth Financial Services project was a highly anticipated Plan WARO program from at least mid-2006, when a draft was already circulating in Plan WARO. An even earlier proposal for action research in financial services for working youth and children dates back to January 2005. In December 2006 Plan held a Youth, Partner, and Expert Consultation Workshop in which youth facilitated group discussions and helped design the YFS program. Yet four months passed between the release of funds on September 25, 2007 and the project inception workshops in the participating countries in January 2008.

Once the program got under way in the three countries, it took Niger and Sierra Leone until August 2008 to begin forming youth VSL groups after prospecting for implementing partners and conducting situation analyses. Plan Senegal moved faster, with groups being formed by its partner by May 2008. By the time the program hit its stride a few months later in December, it had run out of time and most of its funding. In spite of a two-month extension, this pilot program, supposed to last for 3 ½ years, was over after about 14 months of significant project activity. At least toward the beginning, It seems to have been implemented with a 3 ½ year timetable in mind.

Only in late July 2009 was Plan notified by the Swedish National Organization that a final extension would be granted by SIDA for the period from July 31 to October 31. Reference was made in this memo to a no-cost extension nearing its end on July 30. Plan WARO had understood that the program could not continue under the SIDA grant beyond February 28, 2009. For that reason, work stopped completely on the non-financial component that had barely got under way training YSLAs. The financial IPs continued to support their groups largely at their own expense with the hope that further funding would be found. This allowed most of the gains made in YSLA creation in the second half of 2008 to be preserved.

It is unclear why the implementation of the YFS program took the slow track. A contributing factor has to be the lack of full-time coordinators in the three COs. These project coordinators (PCs) were consistent in declaring that they had been able to devote only 30% of their time to managing the YFS.[12] Added to this was the umbrella grant agreement document (GAD) directed to WARO with subsequent country-level GADs made with the three COs. In this way, programmatic ownership of this youth initiative was unclear. While YFS was clearly a regional program with a full-time program manager, the three COs were left to implement the project. They liked the program, but management responsibility was simply added to their existing workload.

The other issue is why a 3 ½ year program proposal was allowed to go forward with funding that was at most 18 months long. Presumably it was felt that subsequent funding would be found in time. That this did not happen damaged the process and experience of the pilot. There are nearly 4,000 YSLAs in three countries now facing a further halt in support, if the next project phase is not funded soon.

It is clear that once resources are mobilized, progress can rapidly resume in all three countries, although Niger has the problem of selecting a financial services IP. The process of vetting a potential organization should begin now, while the Phase 2 grant proposal is finalized and negotiated. Plan Niger will also have to decide whether to go with a separate IP for the NF services component.

2. Project Implementation Plan

The program proposal of December 2006 contains an activity plan running from April 2007 through September 2010. While the timeframe was obviously no longer relevant by the time the program was approved in August 2007, all the basic steps to be followed were already anticipated. Of course, many of the steps lay beyond the 17-month length of project approved and funded by SIDA. This included most of the market and business

[12] In Senegal and Niger the project coordinator was the Microfinance Advisor. In Sierra Leone it was the Youth Empowerment Coordinator with assistance from the Microfinance Advisor.

development activities for the YSLAs and their linkage with MFIs. According to the activity plan, a lengthy process of implementation preparation including situation analyses, youth financial services needs assessments, and adaptation of the VSL model as a pilot tool, would lead to the creation of the first YSLAs some nine months later. YFS was clearly on a 3 ½ year schedule. A Detailed Implementation Plan (DIP) was to be finalized within four months.

The first DIP was, in fact, finalized in early January 2008, about four months after project approval in August 2007. By now the implementation plan was adjusted to the new timeframe, but it continued to indicate a project timeframe extending through 2009 and until October 2010. The steps are much the same as in the proposal activity plan but more concentrated, with the first YSLAs to be formed in February 2008. This was optimistic as it turned out, particularly in the case of Niger and Sierra Leone where youth group formation and training began about six months after that.

This first DIP was revised one year later in January 2009 and presents the steps through which the YFS would move during January and February 2009, the period of the no-cost extension. The DIP also summarized what had been accomplished between January and December 2008. Thus, youth groups had been identified and trained, a Youth Advisory Board has been created in each country, a situation analysis had been conducted in each country but no youth financial needs assessment, the VSL model had been adapted by partners to each country context, exchange visits among youth had been organized, and training needs assessments were carried out leading to training modules.

What largely remained to be done during the no-cost extension was the Making Cents NF training of YSLA members. The second DIP indicated that it was “necessary to continue this activity even if we will not reach all the youth in 2 months.” The objective was to reach nearly 20 groups per country in the two-month period. It becomes clear that the mandate to do concentrated training in NF services came from WARO.

Development of monitoring and evaluation training modules are also referred to in this revised DIP as “an important aspect of the project,” but there is no evidence they were completed. The program website, due for completion in January 2009, does not appear to have been finalized. Finally, conducting a youth financial needs analysis among target groups, promoting linkages among youth economic activities and mainstream businesses, monitoring youth business innovation and development, and development and publishing of a final publication are all left to the next phase of the program (beyond February 2009).

In sum, good faith efforts were made to follow the original set of activity steps, although they tended to take much longer than anticipated. The youth financial needs analyses were never done, and this is unfortunate, because these might have provided the baseline material for gauging impact.

It was not a good idea to continue planning for a 3 ½ year project when funding was for well less than half of that. Moreover, concentrating the market assessment and value chain analysis training into the last two months of a foreshortened program largely defeated the purpose of the curriculum.

3. Management of YFS Regional and Country Budgets

It is unclear why project expenditures did not match outputs as indicated in the original DIP. The original Grant Agreement Document (GAD) provided $711, 237 to WARO on September 25, 2007. This figure was subsequently increased to $814,856 in August 2008, because of a devalued dollar with respect to the Swedish kronor. With respect to the original program budget, each of the participating countries was granted $160,921, with WARO remaining with an allocation of $229,001. By the end of the no-cost extension period (February 28, 2009), Plan Senegal had spent $144,328 (89.7%), Plan Niger $150,651 (93.6%), and Plan Sierra Leone $66,890 (41.6%). WARO had spent $288,490, or 126% of its budget allocation. Overall, spending at end of February stood at $650,359, or 91.4% of the original budget.

Following the budget increase of $103,092 in August 2008, there remained an overall budget shortfall at end of February 2009 of some $164,497. This money was apparently not spent because program management understood the YFS had definitively ended by March 1. Only in late July 2009 was WARO notified that it should finish its activities with a final no-cost extension.

In sum, except for the Sierra Leone allocation, country funding was about right for planned activities over a one-year activity period. Spending had been faster than originally envisaged, since the assumption was that funding was for about 1 ½ years, as the visitor from Plan Sweden notes in her project visit report of July 2008.[13] Clearly, closer attention to budgeting and "burn rate" would have been desirable. Although it has been suggested that budgeting would be clearer if GADs were made directly and separately between the Plan donor country to WARO and to each of the three COs under Phase 2, this would require a greatly enhanced managerial load in the Plan national organization. It is not clear this would be more effective than managing country-level GADs from WARO.

4. Monitoring and Evaluation Systems

The financial MIS used in this program is sophisticated and under continuous revision to make it more appropriate to the experience of YSLAs. It will probably need to be modified or complemented in the next phase to track separately the activities of CVs and field agents. The information it collects is more than sufficient to follow the financial progress of YSLAs and their members. It is unclear to what degree it is used as a monitoring tool for tracking differential group performance or in taking management decisions.

There is no non-financial monitoring system, although it may have been developed by Making Cents International, had the project run longer. Since most of the NF training was never conducted as intended by Making Cents, it is not too late in Phase 2 to design a baseline around non-financial knowledge. This might be combined with a financial needs assessment study of members of new groups. A set of questions could be devised to establish a baseline for randomly selected YSLA members, particularly focusing on their pre- project activities, knowledge, and perspectives.

Monitoring of country-level activities was also carried out through country-level DIPs that tended to be revised when funding resumed after a lapse. Thus, there is a DIP in Sierra

[13] Osterlund, Sarah. July 2008. "Project Visit Report and Follow Up."

Leone that focuses on IP activities during the period between March and June 2009 and another under a mini-proposal for the period July to October 2009, the final no-cost extension period. While project launch workshops contain preliminary action plans, DIPs were not developed until a few months later. The DIP for Plan Niger begins in April 2008. Closer coordination of overall program and country-level DIPs is recommended for Phase 2.

Monitoring of YFS expenditures at country level was obviously carried out alongside many other program activities, and there is no reason to belief that YFS was less monitored than other programs. However, the fact that this was a regional program may have meant that country budgeting looked for tighter guidelines than may have been forthcoming. On the other hand, WARO obviously expected COs to manage their own use of GAD funds. In the final analysis, no detailed examination of country budgeting could be carried out in this assessment.

In sum, monitoring and evaluation of the YFS program was minimal, even at country level. This is not to imply that COs were not following normal procedures for tracking budget against intended activities. These in turn were modeled on the activities and scheduling indicated in the overall DIP established in January 2008. Unfolding the various planned activities simply took longer than expected, partly because of lack of impetus in the implementing countries. This probably could have been offset by having a full-time project coordinator in each country.

F. Learning and Policy

1. Mechanisms to Insure Learning

Except for the MIS, few formal mechanisms were put in place to produce learning for future youth policy purposes. Much can be learned about the suitability of the VSL model for youth by following the financial progress of the YSLAs. Their financial soundness and progress are the core of this program. While important, monitoring of this program should have been much more than financial.

As mentioned previously, there was no non-financial monitoring system, nor is there an adequate baseline. While situation analyses were conducted in each country prior to forming YSLAs, these do not constitute an adequate appreciation of the characteristics of the target population in each place: urban or peri-urban youth, 15 to 24 years old, in a context of extreme poverty, rural to urban migration, and new and evolving social contexts. The financial needs analyses that might have provided a baseline on youth economic conditions and activities were never conducted.

Care was taken to involve Youth Advisory Boards in each of the program countries. These are active and motivated youth that have much to say with respect to how they view program progress and future next steps. They should be given a chance to document their experience under YFS.

In principle, the Program Steering Committee should also serve as a source of institutional learning for Phase 2 of this program. It mixes YAB presidents with CO program support managers, IP representatives, and the WARO YFS manager and MF advisor. This final assessment is a major input to what should be a frank examination of the experience to date by the group that piloted this effort over the last two years.

2. Appropriateness of the Project Design for Youth Economic Empowerment

The evidence from over 1 ½ years of YFS activity validates the suitability of the VSL model for youth groups. It should be kept in mind that youth are not adult women, with whom considerable prior success with this MF model has been achieved by Plan and other International NGOs. Field agents recognize the mobility and instability of youth compared to adult women.

It appears that no groups wish to “graduate” after finishing a complete cycle, and it may be difficult for most of them to become fully independent any time soon. This does not mean the VSL experience is not empowering – quite the contrary. Scaling up the project should not mean premature graduation for groups still in need of counseling and support from field agents. This experience is unique for these young people, and its long-term impact should not be underestimated. Many of these groups will want to retain linkages with the implementing organization and with each other.

The question of how many of these youth will become significant entrepreneurs is moot. This is unlikely to involve more than a handful of them. The objective should be to raise their income opportunities and realized incomes to a significant degree beyond what they would have done on their own through trial and error. The savings and investment discipline required by VSL group activity is a first step toward financial independence. Appropriate and practical business and life skills can increase their economic and social empowerment. Plan in Phase 2 should try to track some of these economic and social gains in a randomly selected set of youth.

V. Success in Reaching Results

While a great deal has been accomplished in the YFS project, the foreshortened length of project (17 months), less than half the original pilot proposal of 42 months, did not permit the pilot project to run its course as planned. In spite of five months of no-cost extension (January – February 2009 and August – October 2009), the stop-start, off-on nature of the project has limited its achievements.

Only the financial services objective – Result 1 – has been fully achieved. In spite of intermittent project implementation since February 28, 2009, some 3, 919 youth were enrolled in 214 Youth Savings and Loan Associations on July 31, 2009. The YFS had easily exceeded its 42-month objective after two years of implementation.

The business development and life skills outcomes (Result 2) were only partially achieved by project end (October 31, 2009). Senegal has trained 847 youth in 44 groups in the Market Opportunities curriculum developed by Making Cents International. On the other hand, in Niger only 185 youth in about 11 groups have been given the curriculum and in Sierra Leone the figure is only 45 youth, although they have been drawn as leaders from all current groups. In Niger and Sierra Leone the Market Opportunities trainings were carried out in concentrated periods of 3 to 6 days. Only in Senegal were the curriculum modules introduced in sequence at the end of regular YSLA meetings.

Life skills, such as functional literacy and numeracy, have not been introduced into any YFS country project. It was considered necessary to complete the Market Opportunities curriculum before undertaking further training, and this was not completed by project end in February 2009. Had the project continued to the end of its 42-month period, it seems very likely that 3,000 youth would have had the Market Opportunities course and others in business and basic life skills that would have been developed in due course. The number of youth in VSL groups would have easily doubled to 8,000 or more by the end of 2010. With the premature end to the pilot experience, Result 2 was not realized as planned.

Accomplishments under Result 3 are not well defined, so that it is not clear what access and use of support structures for acquired business, entrepreneurial, and life skills in managing small economic activities would involve. Since these are overwhelmingly working youth, they are certainly engaged in small economic activities and there is anecdotal evidence that some are applying skills learned in the YSLA groups or Market Opportunities training. However, except for VSL assistance, there are no support structures in place for acquired skills in managing small economic activities.

Result 4 called for the pilot experience to generate and share replicable models for out-of-school working children and youth by end of 2010. Since the pilot project did not run its course, it is not surprising that these models have not been formalized. However, it can be said that Plan's VSL financial services model has proven itself appropriate and effective with youth, just as it has with rural women. Documentation of the adaptations made by and for youth in their YSLAs should have occurred under the YFS project. Some of these have been reported in this assessment.

VI. Conclusions and Lessons Learned

1. The VSL financial services model has proven to be appropriate and useful for working children and youth in all three pilot project countries with little variation from the basic methodology (2007 program guide).

2. The discipline and collaboration inherent in the regular meetings, savings and lending rules and routines, and provision for emergencies through a social fund are not only popular with youth, but provide an empowering experience otherwise lacking in their environment.

3. Empowerment of participating children and youth is thus not only economic but also social. Their experiential learning is both economically practical and socially reinforcing.

4. The use of passbooks and a social fund in Niger and Sierra Leone provides for more involvement and social reinforcement than does the SfC methodology in Senegal.

5. YSLA members specifically appreciate having ownership and control over their associations, getting involved in organized social interaction with other neighborhood youth, engaging in leadership roles (for some), and retaining loan interest (service fees) in the groups rather than lose it to outsiders as is the practice in credit-led programs.

6. The biggest constraint faced by many of these youth is time to meet, since many are actively engaged in commercial activities. This is especially true in Sierra Leone, where groups generally meet only on weekend evenings. Concentrating their meetings into late afternoon or evenings reduces the ability of field agents to cover the groups, as the number of YSLAs increases.

7. It is apparent that YSLA members do not seek independence from field agents after their first cycle; they do not graduate as intended after the first full cycle of approximately one year. Moreover, in all three countries meetings continue to be weekly throughout the first cycle, rather than be reduced to every other week after 14 weeks and once every eight weeks after 32 weeks. In fact, weekly meetings attended by field agents continue into new savings cycles. This has implications for scaling up the YFS program.

8. There is some level of group attrition in all countries, particularly in Niger. Group formation, support, and expectations require better understanding. Boys, in particular, are not likely to respond to the slow accumulation of capital in their groups. The mobility of boys and girls, particularly the former, in urban or urbanizing environments begs the question of how stable and sustainable the YSLAs are likely to be after graduation from direct support of the program.

9. There is little or no demand from YSLA members for a higher level of financial services from formal institutions, such as savings and credit cooperatives or credit-led MFIs. Members do not always know that other such institutions exist, while some actively resist the idea of group profits taken out of the community by an outside organization. It is simply premature to link these groups to other institutions. This may be possible for some by the end of the next project phase.

10. The means by which VSL implementing partners reached out to youth in targeted communities is similar in all three pilot countries and corresponded to traditional norms of contact, plus the explicit involvement of already existing youth groups. An important additional point of contact has been with parents, since most project participants are still dependents and live at home with parents or other relatives.

11. The financial MIS is a useful means to track overall number, composition, and performance of YSLAs. Since these youth associations divide their fund at intervals of varying length and begin to engage in saving and lending anew, the MIS does not track the total income generated by group members. This increasingly tends to reduce the real level of benefits generated through VSL activities. A cumulative measure of what is taken out of YSLAs by group members upon share-out should be retained in the MIS or maintained separately by project coordinators.

12. MIS reports for the three countries and when consolidated indicate a relatively low percentage of members taking loans (22% to 36% -- 26% overall), although the percentage of fund use is generally higher (38% to 78% -- 61% overall). Since the MIS combines groups at all stages of their cycle, including some that have only recently begun their first cycle, it is difficult to compare country performances or even trends within the same country.

13. It is possible to calculate a cost per member metric for VSL activities, since payments to IPs from Plan specify certain uses and targets. Cost per member overall was about $39. If Plan supplies materials on the side (such as the metal cashbox and its contents), this cost can be factored in. If there is a full-time Plan project coordinator in the country, his or her salary should be added to the total. Beyond this, it is not necessary to seek out further overhead costs to project activities.

14. The financial IPs are capable of accurately collecting and compiling YSLA group composition and financial performance data and all have a designated person in their organization charged with supplying Plan with an updated MIS report on a monthly basis. The timeliness of these reports is variable: Sierra Leone has completed its September 2009 report, while Senegal and Niger have not progressed beyond July. Under the next project phase, MIS reports can rapidly be brought up to date.

15. Community volunteers (CVs) for use in forming and training new YSLAs have been envisaged and chosen in all three pilot countries, but the countries have gone about doing so in different ways. The CV concept is unclear in theory and practice thus far, and a concerted effort to define a realistic future role for CVs is required.

16. While CVs may be competent to form and train new YSLAs, there is general reluctance among current IPs and Plan country staff to charge them with business skills training. This means that non-financial services under the YFS project will require field agents. Depending on their educational level, it may be possible to use the same field agents and IPs for both financial and non-financial training. In Senegal this has already been the practice.

17. The NF services component has not been successful to date, largely because of its late start before YFS project activities ceased by March 2009. In Senegal the Market Opportunities curriculum was delivered as intended in ordinary YSLA meetings with groups that had already completed their VSL training. In Niger and Sierra Leone, it was delivered in a concentrated manner not likely to have the same impact as intended.

18. Regardless of how it was imparted to YSLA members, the Making Cents market assessment and value chain analysis curriculum appears to have had little impact on participants. This is complicated by the lack of any follow-up or impact monitoring tool for this component.

19. There appears to be consensus among the trainers used to impart the Making Cents curriculum that the training materials and concepts need to be simplified for the target audience. Trainers have done this in their sessions and some redesigned illustrations without text were developed in Senegal. It also seems clear that introducing the 14 modules into weekly meetings is far more likely to produce results than concentrated sessions, although there is no comparative evidence to draw upon at this time.

20. There is a group of trainers certified in each country by Making Cents: 6 in Senegal; 8 in Sierra Leone, and 4 in Niger. In Niger, particularly, there are at least 9 more trainers that took part in the NF services training that have not yet had the chance to

be certified. Whether or not Making Cents continues as the major NF technical partner, their certification process appears to have been rigorous and of good quality.

21. Youth have played a substantive role in the YFS project from its conception. Youth were explicitly involved in the WARO December 2004 workshop that examined the VSL model for scaling up in Plan. They were prominent in number and role in the final design workshop for YFS in Dakar in December 2006. They were employed as surveyors in the country situation analyses. They have contributed to the program during its life through the Youth Advisory Board in each country and the overall YFS Steering Committee.

22. Youth members of the YABs act as intermediaries between group members and IPs. They have been used to some degree in more formal monitoring, as currently in Sierra Leone, but the YABs lack resources and rely on Plan to assist them financially in carrying out such activities or exchanges with other countries. A theme common to all three YABs was the need for some basic equipment and resources to function properly.

23. Relationships between Plan and its technical and implementing partner organizations appear from all evidence to have been close and cordial. Even though specific targets and activities are specified in contracts and the relationship is clearly asymmetrical, Plan's partnerships can be characterized as of "shared vision" rather than "fee-for-service" contracts. There is no evidence of friction between Plan and any of its financial or non-financial partners, in spite of a rather foreshortened pilot project.

24. There remains the issue of whether to proceed in the next project phase with separate IPs for VSL and NF services training. The consensus in the three countries is that there is no obvious partner for the business skills services, but there probably are potential partners for life skills, such as functional literacy and numeracy. This may mean that the financial and business skills IPs are the same in the three countries going forward. Moreover, it is simply not known whether any organization exists in West Africa capable of replacing Making Cents International as technical partner in NF services training.

25. The YFS project management structure has not provided enough guidance and continuity in country activities. Country projects have diverged to some degree, but this can be minimized going forward by making country project coordinators a full-time position. Although increasing YFS project costs, such project management reinforcement appears essential going forward.

26. The Detailed Implementation Plan was not used as effectively or realistically as desirable in project management. It should not have contained time periods and objectives beyond the approved funding period. It should be as binding as possible on timetables and targets in individual countries and kept closely coordinated with WARO and country budgets.

27. Development of an M&E system for the project and training in its use was never carried out. There is now a real mismatch between the quantitatively elaborate financial MIS and the virtual absence of tracking of client needs, characteristics, or impact. This needs to be remedied going forward.

28. The NF services technical partner should have developed an M&E system for tracking the impact of business skills training. This process was clearly cut short. The same or new technical partner should be contractually obligated to supply this monitoring system early on, since the training directly relates to explicit market knowledge, behavioral outcomes, and business activity changes.

29. Institutional learning and policy development for future youth-related activities moving forward were not pursued actively under YFS. Whatever lessons were learned at country or regional levels were not documented. This could have been the role of the YFS Steering Committee, since it was technically overseeing the course of the pilot project. While the present Phase 1 assessment report will help to bridge this knowledge gap, in the next phase the Steering Committee should try to sum up institutional learning more frequently.

30. Although the Phase 1 pilot project ran for less than half its proposed life, enough has been learned about youth and VSL activities to consider the pilot completed and a scale up possible.   What has not yet been validated is what would constitute a reasonable scale-up strategy in each country and whether volunteers can be counted on to carry it out. Moreover, the form and composition of the business skills and life skills (if different) training have not been successfully piloted. In this sense, non-financial services activities can still be considered in the pilot stage.

VI. Recommendations for Phase 2

1. A survey of the financial needs, economic activities, and social characteristics of YSLA members in the three countries should be undertaken soon after program resumption. This would constitute a baseline against which comparisons could be made toward the end of Phase 2. This would allow measurement of impact of VSL activities.

2. Following analysis of this baseline study, Plan should determine the specific composition of future business and life skills training and how and by whom this should be delivered. A schedule should be set up with precise country targets. The issue of whether to find a non-financial IP or use a technical partner to train existing IP field agents should be resolved rapidly in each country.

3. The Phase 2 project should have an M&E system that tracks YSLA members' essential non-financial information over the life of project: age, sex, marital status, place of residence (independent or with parents), primary and secondary business activity (or job), whether in business alone or in partnership, whether engaged in other training (literacy, numeracy), involvement with other MFIs, and so on.

4. Since the MIS only presents a snapshot of the monthly status of groups at all stages of their cycle, it would be desirable to maintain a running account of each group that combines the monies previously saved and shared-out at end of cycle, along with the total profit on those savings. This would present a better picture of total monies saved and profit earned over the life of all groups. This would be kept current as a separate spreadsheet by the project coordinator in each country.

5. There should be an overall MIS spreadsheet summing all three country spreadsheets into one overall project financial report.

6. A scan for possible local or regional technical partners in business skills training should be undertaken rapidly to resolve the issue of whether to go forward with Making Cents International and its Market Opportunities and Entrepreneurship curricula.

7. The issue of how best to use those trainers already certified by Making Cents should be reviewed and resolved.

8. Once business skills training is back on track it should be preceded by a survey of member knowledge specifically related to the objectives of the non-financial training component. If there is to be life skills training as well as business skills, those life skills should be defined in each country and their baseline situation among YSLA members determined for later impact comparison.

9. Once the program resumes, there should be an audit in each country of VSL groups, their exact membership, the number of active Community Volunteers, how many YSLAs have completed a full savings cycle and with what results, and how many are headed for sustainable independence within specific time periods. The reasons for drop-out and group dissolution should be clarified in each country.

10. A scaling-up strategy needs to be defined and launched in parallel manner in the three countries. If there is a reason to use different strategies in the countries, the reasons for this should be made explicit. Realistic growth targets need to be set that do not place unrealistic burdens on CVs drawn from YSLAs.

11. An outreach strategy needs to be defined for scale-up. This would be similar to pilot project outreach, but would proceed in a planned and progressive manner in targeted communities and would be at different stages in distinct communities: target community selection; contact with local chiefs, notables, and leaders; approach to youth groups; discussions with parents of interested youth; formation of YSLAs; and commencement of the VSL training cycle.

12. The Phase 2 project must have full-time, dedicated management staff at country and regional levels. Previously, this was the case only at the regional level. There should be a full-time project coordinator in each country, as well as an overall project manager in WARO. These persons should have adequate budgets, including a travel budget for the regional manager to make quarterly trips to visit the country projects.

13. The Youth Advisory Boards should receive some operational funding, particularly funds for transportation in monitoring YSLAs on a regular basis. A budget for involving members more in cross-country visits would enhance their role. In addition, the Steering Committee should meet at least every six months in each country in turn.

14. There should be greater supply and availability of documentation of project activities and initiatives. Some reports are generated and kept at country level, but the regional project manager should pull these together in a designated place in WARO.

15. Institutional learning and policy development for future projects focused on youth should be pursued more actively in Phase 2. This means pulling together lessons learned and policy implications at Phase 2 midterm and in a final evaluation. It may be possible to generate and then deepen these on a regular basis in Steering Committee meetings.

Annex A: Persons Interviewed

Niger

Afrique Fondation Jeunes

Laouali Tanko	NF services trainer
Ousmana Dan Tata	Executive Coordinator
Moussa Mahamane Sani	NF services trainer
Yaou Saidou Zokari	NF services trainer

Association Godia

Fatima Ibrahim	Supervisor/trainer
Fatouma Toye Kiepine	Secretary/accountant
Aminata Mounkaila	Field agent
Halima Saadou	Director

Community Volunteers

Adamou Soumana Amadou	YFS Volunteer
Ahamadou Bassina	YFS Volunteer
Saley Fati	YFS Volunteer
Salamatou Zakary	YFS Volunteer

Entreprendre au Niger

Ibrahim Kabirou	NF services trainer
Bachir Moussa Kaoura	Director General
Ismail Ibrah	NF services trainer
Ibrahim Ismailou	Chief, Training, Advisory, and Communications
Ibrahim Mariama	NF services trainer
Salissou Mato	NF services trainer

Plan Niger

Daouda Gayakoye	Human Resources Manager
Oumarou Housseini	Research and Evaluation Manager
Ourmarou Maazou	YFS Project Coordinator
Mamoudou Madougou	Sponsorship Support Manager
Saliou Ndaw	Acting Director
Assalama Sidi	Program Support Manager

Youth Advisory Board

Soumana Garba	Member
Hawa Kanguey	President
Rabi Souley	Member

Senegal

Association Conseil pour l'Action (ACA)

Aissatou Ndaw	YFS project supervisor, Dakar area
Malick Ndiaye	YFS Dakar field agent
Awa Niang	YFS Dakar field agent
Ousmane Seck	YFS project supervisor, Kaolack area
Pape Alioune Seck	YFS Dakar field agent
Ibrahima Yade	ACA President

Plan Senegal

Insa Gassama	YFS Senegal project coordinator
Rabi Seck	Former YFS WARO manager

Plan WARO

Allassane Drabo	WARO Resource Mobilization Advisor
Sven Coppens	WARO Regional Program Support Manager
John Schiller	WARO Microfinance and Livelihoods Advisor

Youth Advisory Board

Nkoumba Gueye	President

Sierra Leone

Community Empowerment for Rural Development (CEFORD)

Emmanuel Claye	Field agent (western zone)
Nafisatu Dickson-Thomas	Field agent (eastern zone)
Alimamy Kamara	Field agent (central zone)
Moses Ogendeh Kamara	Director
Abu Kamu	Supervisor
Hawa Turay	Certified NF services trainer

Other Making Cents Certified Trainers

Raynold Johnson	Certified trainer from GGEM
Christiane Manah	Certified trainer from GGEM
Edward Massaquoi	Certified trainer from CCYA

Plan Sierra Leone

Fatimata Alainchar	Country Director
Edward Gbemeh	Microfinance Advisor
Miriam Murray	Program Support Manager
Hudson Sisay	Youth Empowerment Coordinator
Alphan Tajawie	Grants Support Manager

Youth Advisory Board

Aminata Conteh	Member
Josephine Conteh	Vice President
Francis Kamara	Member
Saidu Kamara	Member
Hassan Fuad Kanu	President
Mohamed Kebbie	Secretary General
Kadiatu Sesay	Member

Washington, D.C.

Making Cents International

Andrew Baird	Director, YFS NF services component
Stephanie Chen	Manager, Partnership Development and Communications
Hillary Proctor	Non-financial services trainer

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Annex C: Assessment Terms of Reference

Plan WARO
Making financial services and business skills development available to African children and youth: a pilot

Assessment of Phase 1: August 2007 to October 2009
Including Lessons Learned and Policy Recommendations

Terms of Reference
September 19, 2009

Background

Youth represent a huge source of unrealized human potential in Africa. More than half of the population of Africa is under 25 years of age and many of them, particularly girls, have not been able to complete even six years of primary education. About 50% of all children and youth in Sub Saharan Africa are currently in one way or another engaged in economic activities (positively and negatively). Yet, there is a frequent lack of structures and opportunities for children and youth to get involved in actions related to their own development, resulting in their marginalization from the development and decision making processes in their countries.

Given this context, it is surprising to see how seldom youth are targeted in development projects in Africa today and how few projects actually involve youth and children as *active* participants in projects' conception, design, implementation and monitoring. This 3 ½-year pilot project - ***Making financial services and business skills development available to African children and youth*** – creates unique opportunities for youth to actively and independently improve their own living conditions, which in the long run will contribute to the social and economic development of their countries. Plan has made a special effort to involve youth from the beginning in determining the content and direction of the project.

One primary purpose of the project is to facilitate access to 3,000 out-of-school 15-24 year-old working children and youth in Senegal, Sierra Leone and Niger to financial services that meet their needs and circumstances, and also to business skills development and essential life-skills. To achieve this, Plan forms partnerships with specialized organizations in these areas. From this holistic approach emerges a broader overall purpose: to identify effective methodologies and the right combination of interventions to produce sustainable and replicable program models that can be scaled up in the three pilot countries and to other countries and contexts in West Africa.

The project was funded with a USD$844,000 grant from the Swedish International Development Agency (SIDA) through Plan Sweden. While funding was released in August 2007, project activities did not begin until January 2008 and ran smoothly for only one year until December 2008. Two no-cost extensions have been granted since then:

one through February 2009 and the second to October 2009. However, uncertainty over whether the extensions would be granted and confusion over the amounts of money that could be spent, led to stop-and-start operations and the elimination of the project manager position at the regional level as of March 2009. This instability and lack of leadership combined with the fact that funding did not cover the entire portion of the three and a half year design have meant that the pilot experience is incomplete. Nevertheless, within the allotted timeframe, youth have responded enthusiastically to the opportunity to participate and there have been some solid achievements.

Purpose of the Assessment

The purpose of this assessment is threefold:

1. To produce an analytical report on the project highlighting what was and was not achieved relative to the objectives and implementation plan, and why.
2. To provide insight into the overall purpose of the project of whether Plan and its partners have made any progress on **identifying *effective approaches and methodologies that result in sustainable and replicable program models*** relevant to youth.
3. To make recommendations that will improve the technical content and management of the project in its coming phase.

To address these points, an independent consultant will assess the following six areas and address the specified points in each.

1. Youth Financial Services

1. Describe the methodological approach to youth financial services in each country. Highlight the differences (if any) and assess their importance. To what extent have the basic Village Savings and Loan (VSL) and Savings for Change (SfC) methodologies been adapted to address the particular needs and circumstances of youth
2. Assess the effectiveness of the outreach strategy of each implementing partner (IP) to bring financial services to the youth population in their respective project areas.
3. Present the most recent statistical portrait of each country project using MIS reports. Present the cumulative portrait of the overall project.
4. Using the MIS reports, analyze key performance indicators highlighting positive outcomes, problems and trends in the following areas:
    - Group member satisfaction
    - Group financial performance
    - Group operating efficiency
5. Determine whether it is possible to get an accurate “cost per member” metric for each project.[14] If so, report the figure (to be used as a baseline number for the follow-on phase of the project). If not possible, recommend procedures to allow the IPs to accurately generate this information in the future.

[14] Defined as the costs spent by the IP or by Plan on behalf of the IP to give youth access to financial services divided by the number of group members (participants).

6. Assess the IPs use of the MIS in terms of:
    - Accurate data collection
    - Analysis and use of reports for management purposes
    - Timely production and dissemination of reports
7. Describe the extent to which the IPs have used "Community Volunteers" (CVs) to extend the outreach of the project. As part of this description, provide the following data:
    - Number of CVs by project
    - CV profile: average age, gender, level of education, living situation (i.e. heads of households/dependent on parents), economic activities
    - Training given to CVs (inventory and collect training materials)
    - CV supervision by the IP
    - Remuneration (policy and practice)
    - Results obtained by CVs
        a. Number of groups/members per CV
        b. Quality of groups formed & trained by CVs
    - Motivating factors and CV views of the job
    - Estimated future demand for services

8. On a sample basis, assess the views of youth group members of the community-based savings and credit systems
    - Likes and dislikes
    - Impact of group participation on their socio-economic circumstances
    - Recommended improvements to the methodology

9. Assess the demand for a higher level of financial services (savings, credit) from formal institutions (savings & credit cooperatives, credit-led MFIs) among group members.

2. Non Financial Services

1. Describe the process by which Making Cents developed training materials and developed capacity for the Market Opportunities component. Assess the effectiveness of this effort. Comment on the trainer certification process and do an inventory of qualified trainers in each country.
2. Describe the degree to which the IPs were able to train youth in Market Opportunities following the guidelines and materials developed by Making Cents.
3. Present the results of the Market Opportunities training in each country.
4. Assess the ability of the country projects to systematically monitor the Market Opportunities component. Recommend improvements to the non-financial services MIS.
5. Assess the degree to which Community Volunteers participate in the Market Opportunities component as trainers. Could their role in this component be enhanced?
6. On a sample basis assess the degree to which youth have been able to apply the Market Opportunities training to identify new business ideas and to put those ideas into practice.

3. Influence of Youth on the Project

1. Determine to what extent youth played a substantive role (apart from that of participants) in such things as program design, situation analyses, needs analyses, curriculum design and influencing the content and direction of the project.
2. Determine to what extent youth feel (or don't feel) engaged in influencing the project's direction and content
3. Describe the organization, composition and functioning of the country Youth Advisory Boards.
4. Describe the role and participation of youth on the Project Steering Committee.
5. Recommend ways to enhance the involvement of youth in determining the direction and content of the project in its next phase.

4. Partnership

1. Review the procedures whereby technical and implementing partners were selected by the project
2. Assess the degree to which Plan and its partners were able to work within a "partnership framework" as opposed to a "fee-for-service" basis.
3. Assess the ability of Plan and its partners to resolve problems and manage conflict.
4. Make recommendations for improving the selection of partners and implementation of partnerships in the next phase of the project.

5. General Project Management, Monitoring & Evaluation

1. Asses the management structure of the project with one full-time manager at the regional office in Dakar and three part-time coordinators in each of the countries. To what extent could this structure be improved in the next phase of the project to improve implementation and learning?
2. Assess the effectiveness of the application of the project's implementation plan.
3. Assess the effectiveness of the management of the project budget at the regional and country level to achieve the project's objectives.
4. Describe the project's overall monitoring and evaluation system with special mention of instruments (and their use) to assess the following:
    - Provision of financial services to youth and the performance of youth savings and credit groups
    - Provision of non financial services to youth and the use of those services to improve economic opportunity
    - Monitoring of country activities per individual country implementation plans
    - Monitoring of expenditures per the project budget

6. Learning and Policy

1. Describe the mechanisms that the project put in place to insure learning. Did these, in fact, result in learning about the suitability of the project design and the content of different project components?

2. What significant lessons were learned at the level of each country project? At the regional level?
3. Given the stage at which the project finds itself, are there any conclusions that can be drawn about the appropriateness of the project design for promoting youth economic empowerment? Are there lessons that this project could teach the wider youth development industry?

Period of the Consultancy

The consultancy will take place in Senegal, Sierra Leone and Niger from October 5 to 31, 2009

Products

At the end of fieldwork in each country the consultant will provide an oral briefing of findings and recommendations to the Plan Country Office and representatives of Plan's partners and the local Youth Advisory Board.

The consultant will also produce a written report covering the entire project. The format of the report will meet SIDA requirements and will be communicated to the consultant by Plan WARO.